

截至二零零二年十二月三十一日止年度

For the year ended 31st December, 2002

1. 一般事項

本公司乃於百慕達註冊成立之受豁免有限公司，其股份在香港聯合交易所有限公司上市。

本集團之主要業務為電影製作、發行電影及電視連續劇、製作及買賣錄影帶產品及光碟、節目廣播及廣告設計及製作。

2. 採納會計實務準則

本集團於本年度首次採納香港會計師公會頒佈之若干新訂及經修訂會計實務準則（「會計實務準則」）。採納該等新訂及經修訂會計實務準則，導致現金流量表及股本變動報表之呈列格式有變，而採納以下新訂及經修訂會計實務準則，對現行及過往會計年度之業績並無重大影響。因此，毋須作出前期調整。

外幣

會計實務準則第11號「外幣換算」經修訂後，本集團已不得按年終時之匯率換算香港以外經營之附屬公司之收入表，而須按平均匯率換算。因此，本集團於綜合賬目時按結算日之匯率換算香港以外經營之附屬公司之資產及負債，而收支項目則按年內之平均匯率換算。換算時產生之匯兌差額（如有）列作股權並轉撥至本集團之匯兌儲備，而該等匯兌差額於出售附屬公司年度確認為收入或開支。此項會計政策之變動對現行或過往會計年度之業績並無任何重大影響。

1. GENERAL

The Company is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited.

The principal activities of the Group are film production, distribution of motion pictures and television drama series, production of and trading in video products and compact discs, programme broadcasting and design and production of advertisements.

2. ADOPTION OF STATEMENTS OF STANDARD ACCOUNTING PRACTICE

In the current year, the Group has adopted, for the first time, a number of new and revised Statements of Standard Accounting Practice ("SSAPs") issued by the Hong Kong Society of Accountants. The adoption of these new and revised SSAPs has resulted in a change in the format of presentation of the cash flow statement and the statement of changes in equity, and in the adoption of the following new and revised accounting policies which has had no material effect on the results for the current or prior accounting years. Accordingly, no prior year adjustment has been required.

Foreign currencies

The revisions to SSAP 11 "Foreign Currency Translation" have eliminated the choice of translating the income statements of subsidiaries operated outside Hong Kong at the closing rate for the year. They are now required to be translated at an average rate. Accordingly, on consolidation, the assets and liabilities of the Group's subsidiaries outside Hong Kong are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the year. Exchange differences arising, if any, are classified as equity and transferred to the Group's exchange reserve. Such translation differences are recognised as income or as expenses in the year in which the subsidiary is disposed of. This change in accounting policy has not had any material effect on the results for the current or prior accounting years.

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2. 採納會計實務準則 (續)

現金流量表

根據會計實務準則第15號(經修訂)「現金流量表」，現金流量乃分為經營、投資及融資三個名目，而非以前之五個名目。先前以獨立名目呈列之已收及已付利息乃分別列作經營及融資現金流量。除非可獨立確認為投資或融資業務，否則所得稅產生之現金流量乃納入經營業務名目。

僱員福利

本集團於本年度採用了會計實務準則第34號「僱員福利」，對僱員福利(包括退休福利計畫)實施衡量規定。由於本集團僅參與指定供款退休福利計畫，故採用會計實務準則第34號對財務報表並無影響。

3. 主要會計政策

財務報表根據香港公認之會計原則以歷史成本會計法編製，所採納之主要會計政策如下：

綜合基準

綜合財務報表包括本公司及其附屬公司每年截至十二月三十一日止之財務報表。

年內收購或出售之附屬公司之業績分別由收購生效日期起或直至出售生效日期止計入綜合收入表內。

2. ADOPTION OF STATEMENTS OF STANDARD ACCOUNTING PRACTICE (continued)

Cash flow statements

Under SSAP 15 (Revised) "Cash Flow Statements", cash flows are classified under three headings, namely operating, investing and financing, rather than the previous five headings. Interest received and paid, which were previously presented under a separate heading, are classified as investing and financing cash flows respectively. Cash flows arising from taxes on income are classified as operating activities unless they can be separately identified with investing or financing activities.

Employee benefits

In the current year, the Group has adopted SSAP 34 "Employee Benefits", which introduces measurement rules for employee benefits, including retirement benefits plans. Because the Group participates only in defined contribution retirement benefits schemes, the adoption of SSAP 34 has not had any impact on the financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention and in accordance with accounting principles generally accepted in Hong Kong. The principal accounting policies adopted are as follows:

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 31st December each year.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

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3. 主要會計政策 (續)

商譽

綜合賬目而產生之商譽指本集團所佔附屬公司或聯營公司之個別資產及負債於收購日期之公平價值高於收購成本之差額。

於二零零一年一月一日前因收購而產生之商譽撥入儲備，當出售有關附屬公司或聯營公司時或斷定商譽減值時自收入表中扣除。

於二零零一年一月一日或之後因收購而產生之商譽撥充資本，並以直線法按估計可使用年期攤銷。收購聯營公司而產生之商譽計入聯營公司面值。收購附屬公司而產生之商譽以獨立無形資產方式呈報。

出售附屬公司或聯營公司而計算出售之盈虧時，加入應佔未攤銷商譽或先前於儲備撇銷或於儲備入賬之商譽計算。

於附屬公司投資

於附屬公司投資列入本公司之資產負債表，按成本減任何可鑑別減值虧損。

於聯營公司權益

綜合收入表包括本集團在本年度內應佔聯營公司之收購後業績。於綜合資產負債表內，於聯營公司權益按本集團應佔之聯營公司資產淨額加上至目前為止仍未於收入表攤銷之溢價減可鑑別減值虧損列賬。

本公司應佔之聯營公司業績按年度內已收或應收之股息為基準計算。於本公司之資產負債表內，於聯營公司投資乃按成本減任何可鑑別減值虧損列賬。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Goodwill

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary or an associate at the date of acquisition.

Goodwill arising on acquisitions prior to 1st January, 2001 continues to be held in reserves and will be charged to the income statement at the time of disposal of the relevant subsidiary or associate or at such time as the goodwill is determined to be impaired.

Goodwill arising on acquisitions on or after 1st January, 2001 is capitalised and amortised on a straight-line basis over its useful economic life. Goodwill arising on the acquisition of associates is included within the carrying amount of the associates. Goodwill arising on the acquisition of subsidiaries is presented as a separate intangible asset.

On disposal of a subsidiary or an associate, the attributable amount of unamortised goodwill or goodwill previously eliminated against or credited to reserves is included in the determination of the profit or loss on disposal.

Investments in subsidiaries

Investments in subsidiaries are included in the Company's balance sheet at cost, less any identified impairment loss.

Interests in associates

The consolidated income statement includes the Group's share of the post-acquisition results of its associates for the year. In the consolidated balance sheet, interests in associates are stated at the Group's share of the net assets of the associates plus the premium paid on acquisition in so far as it has not already been amortised to the income statement, less any identified impairment loss.

The results of associates are accounted for by the Company on the basis of dividends received or receivable during the year. In the Company's balance sheet, investments in associates are stated at cost, as reduced by any identified impairment loss.

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3. 主要會計政策 (續)

收入之確認

發行費收入在母帶交付後確認。

錄影帶產品之銷售在貨品付運及擁有權已轉移時確認。

版權費收入按有關協議之條款以應計基準確認。

服務收入、廣告收入、管理費用收入及製作費收入於提供服務時確認。

投資之股息收入在本集團收取股息之權利獲確立後確認。

利息收入根據尚未收回之本金及適用利率按時間比例基準累計。

來自經營租約之租金收入於有關租賃期內按直線法確認。

物業、機器及設備

物業、機器及設備乃按成本減折舊及任何累積減值虧損列賬。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

Distribution fee income is recognised when the master materials have been delivered.

Sales of video products are recognised when goods are delivered and title has passed.

Royalty income is recognised on an accrual basis in accordance with the terms of the relevant agreement.

Service income, advertising income, management fee income and production fee income are recognised when the services are rendered.

Dividend income from investments is recognised when the Group's rights to receive payment have been established.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the interest rate applicable.

Rental income under operating leases is recognised on a straight-line basis over the relevant lease term.

Property, plant and equipment

Property, plant and equipment is stated at cost less depreciation and any accumulated impairment losses.

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3. 主要會計政策 (續)

物業、機器及設備 (續)

折舊或攤銷乃用以撇銷物業、機器及設備項目之成本，經計算其估計餘值後，按其估計可使用年限依直線法計算，年率如下：

| | |
|--------|-----------|
| 租約土地 | 剩餘租約年期 |
| 樓宇 | 4.5% - 5% |
| 租賃物業裝修 | 20% - 25% |
| 傢俬及裝置 | 10% - 20% |
| 機器及設備 | 18% - 25% |
| 汽車 | 15% - 20% |

當資產出售或棄用時，其盈虧為出售資產所得款項及資產賬面值兩者之差額，在收入表內確認。

投資物業

投資物業為已完成並可作投資用途而持有之物業，其任何租金收入經公平磋商釐定。

投資物業乃以其公開市值列賬。因重估投資物業而產生之重估增減，則計入投資物業重估儲備或自該儲備扣除，除非儲備結餘不足以抵銷重估減值。若情況如此，重估減值高出投資物業重估儲備之部份則自收入表扣除。減值如先前已自收入表扣除，而其後產生重估增值，則此增值則計入收入表，惟數額以先前扣除之減值為限。

出售投資物業時，有關物業應佔投資物業重估儲備結餘之部份乃轉撥入收入表。

除非有關租約之未屆滿租期少於20年，否則不就投資物業計提折舊。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment (continued)

Depreciation or amortisation is provided to write off the cost of items of property, plant and equipment over their estimated useful lives and after taking into account their estimated residual value, using the straight-line method, at the following rates per annum:

| | |
|-------------------------|----------------------------|
| Leasehold land | Over the term of the lease |
| Buildings | 4.5% - 5% |
| Leasehold improvements | 20% - 25% |
| Furniture and fixtures | 10% - 20% |
| Machinery and equipment | 18% - 25% |
| Motor vehicles | 15% - 20% |

The gain or loss arising from disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the income statement.

Investment properties

Investment properties are completed properties which are held for their investment potential, any rental income being negotiated at arm's length.

Investment properties are stated at their open market value. Any revaluation increase or decrease arising on the revaluation of investment properties is credited or charged to the investment property revaluation reserve unless the balance on this reserve is insufficient to cover a revaluation decrease, in which case the excess of the revaluation decrease over the balance on the investment property revaluation reserve is charged to the income statement. Where a decrease has previously been charged to the income statement and a revaluation increase subsequently arises, this increase is credited to the income statement to the extent of the decrease previously charged.

On disposal of an investment property, the balance on the investment property revaluation reserve attributable to that property is transferred to the income statement.

No depreciation is provided on investment properties except where the unexpired term of the relevant lease is 20 years or less.

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3. 主要會計政策 (續)

證券投資

證券投資乃於交易當日確認，初期以成本入賬。

所有證券於隨後之報告日，以公平價值入賬。

如證券乃持作買賣用途，則未變賣溢利及虧損均包括在有關年度的溢利或虧損淨額內。至於其他證券，未變現溢利及虧損則在股本中處理，直至有關證券被變賣或獲確認將予耗減，在該情況下，則有關累計溢利或虧損包括在該年度的溢利或虧損淨額內。

減值

本集團於各結算日會檢討有形及無形資產之賬面值，以評估有關資產有否出現減值虧損。倘資產之估計可收回金額低於其賬面值，則將其賬面值減至其可收回金額。減值虧損將即時確認為開支入賬。

倘減值虧損其後減少，則將資產之賬面值調高至其可收回金額，而增加後之賬面值以假設過往年度並無確認減值虧損而釐定之賬面值為限。減值虧損減少時即時確認為收入賬。

存貨

存貨乃按成本及可變現淨值兩者之較低者入賬。成本按先入先出法計算。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments in securities

Investments in securities are recognised on a trade-date basis and are initially measured at cost.

All securities are measured at subsequent reporting dates at fair value.

Where securities are held for trading purposes, unrealised gains and losses are included in net profit or loss for the year. For other securities, unrealised gains and losses are dealt with in equity, until the securities are disposed of or are determined to be impaired, at which time the cumulative gain or loss is included in net profit or loss for the year.

Impairment

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, such that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first-in, first-out method.

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3. 主要會計政策 (續)**電影版權**

根據為複製及發行影視產品及在指定地區及時段內以特許形式轉批電影或電視劇集而訂立之特許權協議，於製作電影或電視劇集期間分期支付之墊款均以預付款項入賬。特許權協議項下之合約代價餘款列為承擔項目。收到電影或電視劇集之母帶時，所有根據特許權協議而作出之墊款均列為電影版權入賬。根據特許權協議所須支付之餘款均列為負債。

對於為複製及發行影視產品而購入之電影版權，電影版權之有關部份將根據年內所生產數量佔估計將生產之總數量比例轉撥為生產成本。倘本集團決定不行使本身根據個別特許協議之權利，則電影版權之餘款在收入表撤銷。

在以特許形式轉批之電影版權方面，電影版權之有關部份將根據年內實際賺取收入佔轉批電影版權估計所得之收入總額之比例自收入表扣除。其攤銷年期則少於二十年。倘電影版權之餘款較估計未來收入為低，則電影版權之尚欠餘款須撇減至其可收回數額。

製作中電影

製作中電影指製作中之電影及電視連續劇，按截至入賬日期已動用成本減任何可識別之減值虧損入賬。成本將於完成後轉撥為電影版權入賬。

可換股貸款票據

除非實際兌換，否則可換股貸款票據列作負債另行披露。有關在收入表確認之可換股票據財務支出，按可換股貸款票據於各財務年度之結餘計算，以定期定額扣除。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)**Film rights**

Advances made by instalments during the production of films or television drama series under licensing agreements for reproduction and distribution of audio visual products and for sub-licensing of film titles or television drama series, in specific geographical areas and time periods, are recorded as prepayments. The balances of the contracted consideration under the licensing agreements are disclosed as commitments. Upon receipt of the master materials of films or television drama series, all advance payments under the licensing agreements are recorded as film rights. The balances payable under the licensing agreements are recorded as liabilities.

For film rights acquired for reproduction and distribution of audio visual products, the relevant portion of the film rights will be transferred to the cost of production in the proportion that units produced during the year bear to the total estimated number of units to be produced. In the case where the Group decides not to exercise its rights under a particular licensing agreement, the remaining balance of the film rights will be written off in the income statement.

For film rights acquired for sub-licensing, the relevant portion for film rights will be charged to income statement in the proportion that actual income earned during the year bears to the total estimated income from sub-licensing. The amortisation of film rights will not exceed twenty years. Where the remaining balance of the film rights is less than the estimated future income, the balance is written down to its recoverable amount.

Films in progress

Films in progress represents films and televisions drama series under production and is stated at cost incurred to date, less any identified impairment loss. Cost is transferred to film rights upon completion.

Convertible loan notes

Convertible loan notes are separately disclosed and regarded as liabilities unless conversion actually occurs. The finance cost recognised in the income statement in respect of the convertible loan notes is calculated so as to produce a constant periodic rate of charge on the remaining balances of the convertible loan notes for each financial year.

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3. 主要會計政策 (續)

可換股貸款票據 (續)

有關發行可換股貸款票據之費用(如有)於發行年度自收入表扣除。

稅項

稅項支銷乃按本年度已就不應課稅或不獲寬減之項目作出調整後之業績計算。若干收支項目因在計算稅務時與在財務報表確認時計入不同會計期而有所時差。倘時差之稅務影響有可能在可見將來確定為負債或資產，則按負債法在財務報表確認為遞延稅項。

外幣

外幣交易先按交易日期之通行匯率入賬。以外幣計算之貨幣資產與負債按結算日之通行匯率再換算。匯兌盈虧乃計入本年度之純利或虧損內。

編製綜合賬目時，本集團在香港以外營運之資產與負債乃按結算日通行之匯率換算，收支項目按本年度平均匯率換算。一切匯兌差額(如有)乃列作股本及轉撥入本集團換算儲備。上述換算差額乃於出售業務期間確認為收入及支出。

經營租約

倘出租人仍擁有資產擁有權之絕大部份回報及風險，則有關租約列作經營租約。

經營租約之應付租金按有關租期以直線法在收入表中支銷。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Convertible loan notes (continued)

The costs, if any, incurred in connection with the issue of convertible loan notes are charged to the income statement in the year of issue.

Taxation

The charge for taxation is based on the results for the year as adjusted for items which are non-assessable or disallowed. Timing differences arise from the recognition for tax purposes of certain items of income and expense in a different accounting period from that in which they are recognised in the financial statements. The tax effect of timing differences, computed using the liability method, is recognised as deferred taxation in the financial statements to the extent that it is probable that a liability or an asset will crystallise in the foreseeable future.

Foreign currencies

Transactions in currencies other than Hong Kong dollars are initially recorded at the rates ruling on the dates of the transactions. Monetary assets and liabilities denominated in currencies other than Hong Kong dollars are re-translated at the rates ruling on the balance sheet date. Profits and losses arising on exchange are included in net profit or loss for the year.

On consolidation, the assets and liabilities of the Group's operations outside Hong Kong are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the year. Exchange differences arising, if any, are classified as equity and transferred to the Group's exchange reserve. Such translation differences are recognised as income or as expenses in the year in which the operation is disposed of.

Operating leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessors are accounted for as operating leases.

Rentals payable under operating leases are charged to the income statement on a straight-line basis over the relevant lease term.

截至二零零二年十二月三十一日止年度

For the year ended 31st December, 2002

3. 主要會計政策 (續)

退休福利成本

對本集團退休福利計劃之支款於到期應付時列作開支入賬。

4. 營業額

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Retirement benefits costs

Payments to the Group's retirement benefits schemes are charged as an expense as they fall due.

4. TURNOVER

| | | 二零零二年 2002 千港元 HK\$'000 | 二零零一年 2001 千港元 HK\$'000 |
|---------|-------------------------|----------------------------------|----------------------------------|
| 發行費收入 | Distribution fee income | 226,221 | 200,324 |
| 銷售錄影帶產品 | Sales of video products | 8,377 | 43,714 |
| 服務收入 | Service income | 3,044 | 3,522 |
| 版權費收入 | Royalty income | — | 1,451 |
| 製作費收入 | Production fee income | 3,570 | 2,682 |
| 廣告收入 | Advertising income | 303 | 1,525 |
| | | 241,515 | 253,218 |

5. 分類資料

業務分類

截至二零零一年十二月三十一日止年度內，本集團有兩個主要經營部門，分別為電影發行及錄影帶發行。由於營業策略之變更，董事認為錄影帶發行對本集團將不再持續有重大影響。由於本集團於本年之營業額及業績主要來自電影發行，因此並無呈列營業分類之分析。

5. SEGMENT INFORMATION

Business segments

During the year ended 31st December, 2001, the Group had two main operating divisions, namely, film distribution and video distribution. Due to the change in business strategy, the directors judge the video distribution will not be continuing significant to the Group. As the Group's turnover and results in the current year are substantially derived from film distribution, no analysis by business segment is presented.

截至二零零二年十二月三十一日止年度

For the year ended 31st December, 2002

5. 分類資料 (續)

5. SEGMENT INFORMATION (continued)

地區分類

Geographical segments

下表按市場位置分析本集團之銷售(並無考慮貨品/服務之原產地)：

The following table provides an analysis of the Group's sales by location of markets, irrespective of the origin of the goods/services:

截至二零零二年十二月三十一日止年度之收入表

Income statement for the year ended 31st December, 2002

| | | 中華人民 共和國(不包括 香港、澳門 及台灣) (「中國」) People's Republic of 香港及 澳門 Hong Kong and Macau 千港元 HK'000 | China excluding Hong Kong, Macau and Taiwan ("PRC") 千港元 HK'000 | 歐美 America and Europe 千港元 HK'000 | 東南亞 South-East Asia 千港元 HK'000 | 其他 Other 千港元 HK'000 | 綜合 Consolidated 千港元 HK'000 |
|-------------------------|--|---|---|--|--|------------------------------|-------------------------------------|
| 營業額 | Turnover | 97,532 | 56,257 | 50,552 | 34,708 | 2,466 | 241,515 |
| 銷售及服務成本 | Cost of sales and services | (99,826) | (52,683) | (35,677) | (37,516) | (5,224) | (230,926) |
| 分類業績 | Segment results | (2,294) | 3,574 | 14,875 | (2,808) | (2,758) | 10,589 |
| 其他經營收入 | Other operating income | | | | | | 6,724 |
| 未分類公司開支 | Unallocated corporate expenses | | | | | | (290,388) |
| 經營虧損 | Loss from operations | | | | | | (273,075) |
| 融資成本 | Finance costs | | | | | | (3,064) |
| 應佔聯營公司業績 | Share of results of associates | | | | | | (11,960) |
| 向一間聯營公司貸款 之撥備 | Allowance for loans to an associate | | | | | | (1,500) |
| 於儲備入賬 之已確認商譽 減值虧損 | Impairment loss recognised in respect of goodwill held in reserves | | | | | | (90,575) |
| 商譽攤銷 | Amortisation of goodwill | | | | | | (17,582) |
| 除稅前虧損 | Loss before taxation | | | | | | (397,756) |
| 稅項抵免 | Taxation credit | | | | | | 360 |
| 未計少數股東權益前虧損 | Loss before minority interests | | | | | | (397,396) |

截至二零零二年十二月三十一日止年度

For the year ended 31st December, 2002

5. 分類資料 (續)

分類資產、添置物業、機器及設備及電影版權之賬面值及分類負債之賬面值按資產分佈地區分析如下：

於二零零二年十二月三十一日之資產負債表

5. SEGMENT INFORMATION (continued)

The following is an analysis of the carrying amount of segment assets, additions of property, plant and equipment, film rights and the carrying amount of segment liabilities analysed by the geographical area in which the assets are located:

Balance Sheet as at 31st December, 2002

| | | 香港及澳門 Hong Kong and Macau 千港元 HK\$'000 | 中國 PRC 千港元 HK\$'000 | 綜合 Consolidated 千港元 HK\$'000 |
|---------------------|---|---|------------------------------|---------------------------------------|
| 分類資產 | Segment assets | 949,471 | 21,253 | 970,724 |
| 分類負債 | Segment liabilities | 164,558 | 5,037 | 169,595 |
| 添置物業、機器 及設備及電影版權 | Additions of property, plant and equipment and film rights | 185,978 | 1,505 | 187,483 |

截至二零零二年十二月三十一日止年度

For the year ended 31st December, 2002

5. 分類資料 (續)

5. SEGMENT INFORMATION (continued)

地區分類 (續)

Geographical segments (continued)

截至二零零一年十二月三十一日止年度之
收入表

Income statement for the year ended 31st December, 2001

| | | 香港及 澳門 Hong Kong and Macau 千港元 HK\$'000 | 中國 PRC 千港元 HK\$'000 | 歐美 America and Europe 千港元 HK\$'000 | 東南亞 South-East Asia 千港元 HK\$'000 | 其他 Other 千港元 HK\$'000 | 綜合 Consolidated 千港元 HK\$'000 |
|-------------------------|--|--|------------------------------|--|--|--------------------------------|---------------------------------------|
| 營業額 | Turnover | 122,641 | 19,521 | 63,047 | 41,617 | 6,392 | 253,218 |
| 銷售及服務成本 | Cost of sales and services | (119,235) | (10,537) | (39,284) | (50,000) | (6,538) | (225,594) |
| 分類業績 | Segment results | 3,406 | 8,984 | 23,763 | (8,383) | (146) | 27,624 |
| 其他經營收入 | Other operating income | | | | | | 11,826 |
| 未分類公司開支 | Unallocated corporate expenses | | | | | | (171,958) |
| 經營虧損 | Loss from operations | | | | | | (132,508) |
| 融資成本 | Finance costs | | | | | | (2,676) |
| 應佔聯營公司業績 | Share of results of associates | | | | | | (17,316) |
| 視為出售一間聯營公司 所得收益 | Gain on deemed disposal of an associate | | | | | | 21,200 |
| 向一間聯營公司貸款 之撥備 | Allowance for loans to an associate | | | | | | (4,500) |
| 於儲備入賬 之已確認商譽 減值虧損 | Impairment loss recognised in respect of goodwill held in reserves | | | | | | (38,666) |
| 商譽攤銷 | Amortisation of goodwill | | | | | | (16,497) |
| 除稅前虧損 | Loss before taxation | | | | | | (190,963) |
| 稅項支銷 | Taxation charge | | | | | | (307) |
| 未計少數股東權益前虧損 | Loss before minority interests | | | | | | (191,270) |

截至二零零二年十二月三十一日止年度

For the year ended 31st December, 2002

5. 分類資料 (續)

5. SEGMENT INFORMATION (continued)

地區分類 (續)

Geographical segments (continued)

於二零零一年十二月三十一日之資產負債表

Balance Sheet as at 31st December, 2001

| | | 香港及澳門 Hong Kong and Macau 千港元 HK\$'000 | 中國 PRC 千港元 HK\$'000 | 綜合 Consolidated 千港元 HK\$'000 |
|---------------------|---|---|------------------------------|---------------------------------------|
| 分類資產 | Segment assets | 1,141,485 | 25,705 | 1,167,190 |
| 分類負債 | Segment liabilities | 271,034 | 3,263 | 274,297 |
| 添置物業、機器 及設備及電影版權 | Additions of property, plant and equipment and film rights | 415,485 | 4,593 | 420,078 |

6. 其他經營收入

6. OTHER OPERATING INCOME

| | | 二零零二年 2002 千港元 HK\$'000 | 二零零一年 2001 千港元 HK\$'000 |
|-------------------------|---|----------------------------------|----------------------------------|
| 銀行存款所享利息 | Interest earned on bank deposits | 951 | 4,391 |
| 由一間聯營公司發行之可換股 票據所享利息 | Interest earned on convertible notes issued by an associate | 238 | — |
| 其他所享利息 | Interest earned on others | — | 12 |
| 已收管理費 | Management fee received | — | 240 |
| 租金收入 | Rental income | 567 | 3,025 |
| 匯兌溢利淨額 | Net foreign exchange gain | — | 2,226 |
| 雜項收入 | Sundry income | 4,968 | 1,932 |
| | | 6,724 | 11,826 |

截至二零零二年十二月三十一日止年度

For the year ended 31st December, 2002

7. 經營虧損

7. LOSS FROM OPERATIONS

| | | 二零零二年 2002 千港元 HK\$'000 | 二零零一年 2001 千港元 HK\$'000 |
|-------------------------|---|----------------------------------|----------------------------------|
| 經營虧損已扣除： | Loss from operations has been arrived at after charging: | | |
| 呆壞賬撥備 | Allowance for bad and doubtful debts | 5,215 | 15,929 |
| 陳舊存貨撥備 (包括在銷售及服務成本內) | Allowance for inventory obsolescence (included in cost of sales and services) | 1,774 | 2,045 |
| 電影版權攤銷 (包括在銷售及服務成本內) | Amortisation of film rights (included in cost of sales and services) | 190,372 | 165,928 |
| 核數師酬金 | Auditors' remuneration | 1,125 | 1,088 |
| 存貨成本 (包括在銷售及服務成本內) | Cost of inventories (included in cost of sales and services) | 6,834 | 17,461 |
| 物業、機器及設備 之折舊及攤銷 | Depreciation and amortisation of property, plant and equipment | 16,572 | 19,015 |
| 出售物業、機器 及設備之虧損 | Loss on disposal of property, plant and equipment | 1,323 | 901 |
| 出售交易證券之虧損 | Loss on disposal of investment in trading securities | 1,248 | — |
| 匯兌虧損淨額 | Net foreign exchange losses | 1,783 | — |
| 土地及樓宇之經營 租約租金 | Operating lease rental in respect of land and buildings | 4,943 | 7,406 |
| 職員開支 (包括董事酬金) | Staff costs including directors' emoluments | 30,128 | 42,496 |

截至二零零二年十二月三十一日止年度

For the year ended 31st December, 2002

8. 融資費用

8. FINANCE COSTS

| | | 二零零二年 2002 千港元 HK\$'000 | 二零零一年 2001 千港元 HK\$'000 |
|-----------------------|--|----------------------------------|----------------------------------|
| 須於五年內全數償還 之借貸利息： | Interest on borrowings wholly repayable within five years: | | |
| 可換股貸款票據 | Convertible loan notes | 1,797 | 1,504 |
| 其他貸款 | Other loan | 740 | 1,172 |
| 不須於五年內全數償還 之銀行借貸利息 | Interest on bank borrowings not wholly repayable within five years | 527 | — |
| | | 3,064 | 2,676 |

9. 董事酬金

9. DIRECTORS' EMOLUMENTS

| | | 二零零二年 2002 千港元 HK\$'000 | 二零零一年 2001 千港元 HK\$'000 |
|----------------|--|----------------------------------|----------------------------------|
| 董事袍金： | Directors' fees: | | |
| 執行 | Executive | — | — |
| 獨立非執行 | Independent non-executive | 160 | 240 |
| 執行董事之 其他酬金： | Other emoluments of executive directors: | | |
| 薪金及其他津貼 | Salaries and other allowances | 4,464 | 5,718 |
| 退休福利計劃供款 | Retirement benefits schemes contributions | 36 | 284 |
| | | 4,660 | 6,242 |

截至二零零二年十二月三十一日止年度

For the year ended 31st December, 2002

9. 董事酬金 (續)

董事酬金範圍如下：

9. DIRECTORS' EMOLUMENTS (continued)

The emoluments of the directors fell within the following bands:

| | | 董事人數 Number of directors | |
|-------------------------|-----------------------------------|-----------------------------|---------------|
| | | 二零零二年 2002 | 二零零一年 2001 |
| 無至1,000,000港元 | Nil to HK\$1,000,000 | 3 | 3 |
| 1,500,001港元至2,000,000港元 | HK\$1,500,001 to HK\$2,000,000 | 1 | — |
| 2,000,001港元至2,500,000港元 | HK\$2,000,001 to HK\$2,500,000 | 1 | — |
| 2,500,001港元至3,000,000港元 | HK\$2,500,001 to HK\$3,000,000 | — | 1 |
| 3,000,001港元至3,500,000港元 | HK\$3,000,001 to HK\$3,500,000 | — | 1 |
| | | 5 | 5 |

年內，本集團概無向董事支付酬金作為加入本集團或加盟時之獎勵或失去職位之補償。亦無董事於年內放棄任何酬金。

During the year, no emoluments were paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors has waived any emoluments during the year.

10. 僱員酬金

本集團五位最高薪僱員包括兩位本公司董事(二零零一年：兩位)，其酬金詳情載於上文附註9。其餘三位(二零零一年：三位)最高薪僱員之酬金詳情如下：

10. EMPLOYEES' EMOLUMENTS

The five individuals with highest emoluments included two (2001: two) directors of the Company, whose emoluments are set out in note 9 above. The details of the emoluments of the remaining three (2001: three) individuals were as follows:

| | | 二零零二年 2002 千港元 HK\$'000 | 二零零一年 2001 千港元 HK\$'000 |
|----------|--|----------------------------------|----------------------------------|
| 薪金及其他津貼 | Salaries and other allowances | 3,206 | 4,418 |
| 退休福利計劃供款 | Retirement benefits schemes contributions | 35 | 146 |
| | | 3,241 | 4,564 |

截至二零零二年十二月三十一日止年度

For the year ended 31st December, 2002

10. 僱員酬金 (續)

其餘三名(二零零一年：三名)最高薪僱員之酬金範圍如下：

10. EMPLOYEES' EMOLUMENTS (continued)

The emoluments of the remaining three (2001: three) highest paid individuals fell within the following bands:

| | | 僱員人數 Number of individuals | |
|-------------------------|-----------------------------------|-------------------------------|---------------|
| | | 二零零二年 2002 | 二零零一年 2001 |
| 無至1,000,000港元 | Nil to HK\$1,000,000 | 2 | — |
| 1,000,001港元至1,500,000港元 | HK\$1,000,001 to HK\$1,500,000 | — | 1 |
| 1,500,001港元至2,000,000港元 | HK\$1,500,001 to HK\$2,000,000 | 1 | 2 |
| | | 3 | 3 |

11. 稅項抵免(支銷)

本年度海外課稅
以往年度超額撥備之海外課稅

11. TAXATION CREDIT (CHARGE)

| | | 二零零二年 2002 千港元 HK\$'000 | 二零零一年 2001 千港元 HK\$'000 |
|----------------|--|----------------------------------|----------------------------------|
| 本年度海外課稅 | Overseas taxation for the year | (134) | (1,170) |
| 以往年度超額撥備之海外課稅 | Overseas taxation over-provided in prior year | 12 | — |
| | | (122) | (1,170) |
| 攤佔聯營公司 稅項抵免 | Share of taxation credit attributable to associates | 482 | 863 |
| | | 360 | (307) |

由於本公司及其在香港經營之附屬公司於兩個年度內均產生稅項虧損，故並無於財務報表上作出香港利得稅撥備。

No provision for Hong Kong Profits Tax has been made in the financial statements as the Company and its subsidiaries operating in Hong Kong incurred tax losses for both years.

其他司法權區之稅項按有關司法權區之通行稅率計算。

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

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For the year ended 31st December, 2002

11. 稅項抵免(支銷)(續)

11. TAXATION CREDIT (CHARGE) (continued)

於結算日，未撥備遞延稅項資產(負債)主要成份如下：

At the balance sheet date, the components of the unprovided deferred taxation assets (liabilities) were as follows:

| | | 本集團 The Group | | 本公司 The Company | |
|--------------|--|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | | 二零零二年 2002 千港元 HK\$'000 | 二零零一年 2001 千港元 HK\$'000 | 二零零二年 2002 千港元 HK\$'000 | 二零零一年 2001 千港元 HK\$'000 |
| 下列時差原因之稅項影響： | Tax effect of timing differences because of: | | | | |
| 估計稅項虧損 | Estimated tax losses | 52,057 | 37,336 | 7,811 | 6,605 |
| 過剩之折舊免稅額 | Excess of tax allowances over depreciation | (1,455) | (7,550) | — | — |
| | | 50,602 | 29,786 | 7,811 | 6,605 |

遞延稅項資產，並未於財務報表內確認，原因為未能確定可於可見未來動用。

The deferred tax asset has not been recognised in the financial statements as it is not certain that the asset will be utilised in the foreseeable future.

截至二零零二年十二月三十一日止年度

For the year ended 31st December, 2002

11. 稅項抵免(支銷)(續)

本年度之未撥備遞延稅項(支銷)抵免數額如下：

11. TAXATION CREDIT (CHARGE) (continued)

The amount of unprovided deferred taxation credit (charge) for the year was as follows:

| | | 本集團 The Group | |
|--------------------|--|----------------------------------|----------------------------------|
| | | 二零零二年 2002 千港元 HK\$'000 | 二零零一年 2001 千港元 HK\$'000 |
| 下列時差原因引起之稅項 影響： | Tax effect of timing difference because of: | | |
| 產生之估計稅項虧損 | Estimated tax losses arising | 14,721 | 12,268 |
| 免稅額超逾折舊 之差額 | Excess of tax allowances over depreciation | 6,095 | (4,400) |
| | | 20,816 | 7,868 |

重估投資物業所產生之估值虧損並無作撥備遞延稅項之原因為出售此等資產之盈虧均無需課稅。因此，重估值並不構成稅項目的之時差。

Deferred tax has not been provided on the revaluation deficit arising on the revaluation of investment properties as loss or profit arising on the disposal of these assets would not be subject to taxation. Accordingly, the revaluation does not constitute a timing difference for tax purpose.

12. 每股虧損

每股基本及攤薄虧損按以下數據計算：

12. LOSS PER SHARE

The calculation of the basic and diluted loss per share is based on the following data:

| | | 二零零二年 2002 千港元 HK\$'000 | 二零零一年 2001 千港元 HK\$'000 |
|--------|--------------------------------------|----------------------------------|----------------------------------|
| 股東應佔虧損 | Loss attributable to shareholders | 395,690 | 191,207 |

截至二零零二年十二月三十一日止年度

For the year ended 31st December, 2002

12. 每股虧損 (續)

12. LOSS PER SHARE (continued)

| | | 股份數目 | |
|------------------------|---|--------------------|-------------|
| | | Number of shares | |
| | | 二零零二年 | 二零零一年 |
| | | 2002 | 2001 |
| | | | (重列) |
| | | | (restated) |
| 計算每股基本及攤薄虧損之 加權平均股數 | Weighted average number of shares for the purposes of basic and diluted loss per share | 141,369,934 | 103,169,279 |

由於年內行使本公司尚未行使之購股權、認股權證及可換股貸款票據會使每股虧損下降，故此計算截至二零零一年及二零零二年十二月三十一日止年度之每股攤薄虧損假設並無行使該等證券。

The computation of diluted loss per share for the year ended 31st December, 2001 and 2002 does not assume the exercise of the Company's outstanding share options, warrants and convertible loan notes existed during the year since their exercise would reduce loss per share.

截至二零零一年十二月三十一日止年度用以計算每股基本及攤薄虧損之普通股加權平均數已就年內完成之供股、股份合併及供股與發行紅股作出調整。

The weighted average number of ordinary shares for the year ended 31st December, 2001 for the purposes of basic and diluted loss per share has been adjusted for the rights issue, share consolidation and rights issue with bonus issue completed during the year.

截至二零零二年十二月三十一日止年度

For the year ended 31st December, 2002

13. 物業、機器及設備

13. PROPERTY, PLANT AND EQUIPMENT

| 本集團 The Group | | 土地及樓宇 | 租約物業裝修 | 傢俬及裝置 | 機器及設備 | 汽車 | 總額 |
|------------------|---|--------------------|------------------------|------------------------|-------------------------|-----------------|-----------------|
| | | Land and buildings | Leasehold improvements | Furniture and fixtures | Machinery and equipment | Motor vehicles | Total |
| | | 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 |
| 成本 | COST | | | | | | |
| 於二零零二年一月一日 | At 1st January, 2002 | 57,935 | 6,208 | 13,591 | 88,771 | 3,515 | 170,020 |
| 匯兌調整 | Exchange adjustment | (4) | — | (3) | (30) | (6) | (43) |
| 轉撥入投資物業 | Transfer to investment properties | (36,547) | — | — | — | — | (36,547) |
| 添置 | Additions | — | 1000 | 2,762 | 981 | 1,316 | 6,059 |
| 出售 | Disposals | — | (1,646) | (2,805) | (25,662) | (1,067) | (31,180) |
| 於二零零二年十二月三十一日 | At 31st December, 2002 | 21,384 | 5,562 | 13,545 | 64,060 | 3,758 | 108,309 |
| 折舊及減值 | DEPRECIATION AND IMPAIRMENT | | | | | | |
| 於二零零二年一月一日 | At 1st January, 2002 | 3,565 | 5,523 | 5,541 | 40,424 | 2,773 | 57,826 |
| 匯兌調整 | Exchange adjustment | (1) | — | (1) | (9) | (5) | (16) |
| 轉撥入投資物業對銷 | Eliminated on transfer to investment properties | (1,412) | — | — | — | — | (1,412) |
| 年內折舊 | Charged for the year | 1,779 | 613 | 2,534 | 11,319 | 327 | 16,572 |
| 出售時對銷 | Eliminated on disposals | — | (1,508) | (1,664) | (19,308) | (990) | (23,470) |
| 於二零零二年十二月三十一日 | At 31st December, 2002 | 3,931 | 4,628 | 6,410 | 32,426 | 2,105 | 49,500 |
| 賬面淨值 | NET BOOK VALUES | | | | | | |
| 於二零零二年十二月三十一日 | At 31st December, 2002 | 17,453 | 934 | 7,135 | 31,634 | 1,653 | 58,809 |
| 於二零零一年十二月三十一日 | At 31st December, 2001 | 54,370 | 685 | 8,050 | 48,347 | 742 | 112,194 |

截至二零零二年十二月三十一日止年度

For the year ended 31st December, 2002

13. 物業、機器及設備 (續)

13. PROPERTY, PLANT AND EQUIPMENT (continued)

上述土地及樓宇之賬面淨值包括：

The net book value of land and buildings shown above comprises:

| | | 本集團 The Group | |
|----------------|---|----------------------------------|----------------------------------|
| | | 二零零二年 2002 千港元 HK\$'000 | 二零零一年 2001 千港元 HK\$'000 |
| 香港之土地及樓宇 | Land and buildings in Hong Kong | | |
| 長期租約 | Long lease | 6,380 | 6,606 |
| 中期租約 | Medium-term lease | 10,770 | 47,437 |
| 香港以外之 土地及樓宇 | Land and buildings outside Hong Kong | | |
| 中期租約 | Medium-term lease | 303 | 327 |
| | | 17,453 | 54,370 |

14. 投資物業

14. INVESTMENT PROPERTIES

| | | 本集團 The Group 千港元 HK\$'000 |
|---------------|---|-------------------------------------|
| 轉自物業、機器及設備 | Transfer from property, plant and equipment | 35,135 |
| 重估減少 | Revaluation decrease | (3,775) |
| 於二零零二年十二月三十一日 | At 31st December, 2002 | 31,360 |

投資物業乃由獨立專業估值師行安迪評值有限公司以物業於二零零二年十二月三十一日之公開市值進行估值。是項重估導致重估減少3,775,000港元，並已於收入表內扣除。

Investment properties were valued at their open market value at 31st December, 2002 by Adonis Appraisal Limited, an independent firm of professional valuers. These valuations gave rise to a revaluation decrease of HK\$3,775,000 which have been charged to the income statement.

香港之投資物業以中期租約持有。

The investment properties are under medium-term lease in Hong Kong.

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For the year ended 31st December, 2002

15. 於附屬公司權益

15. INTERESTS IN SUBSIDIARIES

| | | 本公司 The Company | |
|------------|--|----------------------------------|----------------------------------|
| | | 二零零二年 2002 千港元 HK\$'000 | 二零零一年 2001 千港元 HK\$'000 |
| 非上市股份，成本值 | Unlisted shares, at cost | 30,708 | 30,708 |
| 已確認減值虧損 | Impairment loss recognised | (30,299) | (30,299) |
| | | 409 | 409 |
| 應收附屬公司款項 | Amounts due from subsidiaries | 1,641,040 | 1,494,889 |
| 應收附屬公司款項撥備 | Allowance for amounts due from subsidiaries | (636,984) | (188,984) |
| | | 1,004,056 | 1,305,905 |
| | | 1,004,465 | 1,306,314 |

應收附屬公司款項乃無抵押、免息且無固定還款期。董事認為款項應不會於未來十二個月內償還。

The amounts due from subsidiaries are unsecured, non-interest bearing and have no fixed repayment terms. In the opinion of directors, the amount will not be repaid in the next twelve months.

本公司於二零零二年十二月三十一日之主要附屬公司詳情載於附註39。

Details of the Company's principal subsidiaries at 31st December, 2002 are set out in note 39.

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For the year ended 31st December, 2002

16. 商譽

16. GOODWILL

本集團
The Group
千港元
HK\$'000

| | | |
|---------------|--------------------------|---------|
| 成本 | COST | |
| 於二零零二年一月一日及 | At 1st January, 2002 and | |
| 於二零零二年十二月三十一日 | at 31st December, 2002 | 175,815 |
| 攤銷 | AMORTISATION | |
| 於二零零二年一月一日 | At 1st January, 2002 | 16,497 |
| 本年度攤銷 | Amortised for the year | 17,582 |
| 於二零零二年十二月三十一日 | At 31st December, 2002 | 34,079 |
| 賬面值 | CARRYING AMOUNTS | |
| 於二零零二年十二月三十一日 | At 31st December, 2002 | 141,736 |
| 於二零零一年十二月三十一日 | At 31st December, 2001 | 159,318 |

商譽所採用之攤銷期為10年。

The amortisation period adopted for goodwill is 10 years.

截至二零零二年十二月三十一日止年度

For the year ended 31st December, 2002

17. 於聯營公司權益

17. INTERESTS IN ASSOCIATES

| | | 本集團 | | 本公司 | |
|-----------------------|---|----------------|----------|-------------|----------|
| | | The Group | | The Company | |
| | | 二零零二年 | 二零零一年 | 二零零二年 | 二零零一年 |
| | | 2002 | 2001 | 2002 | 2001 |
| | | 千港元 | 千港元 | 千港元 | 千港元 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| 非上市股份，成本值 | Unlisted shares, at cost | — | — | 5 | 5 |
| 應佔資產淨值 | Share of net assets | 89,721 | 95,672 | — | — |
| 商譽 | Goodwill | 71,941 | 7,641 | — | — |
| | | 161,662 | 103,313 | 5 | 5 |
| 一間聯營公司所發行之可換股票據 (附註b) | Convertible notes issued by an associate (note b) | 33,800 | — | — | — |
| 給予一間聯營公司之貸款 (附註c) | Loans to an associate (note c) | 5,000 | 5,000 | — | — |
| 貸款予一間聯營公司之撥備 | Allowance for loans to an associate | (5,000) | (3,500) | — | — |
| | | 33,800 | 1,500 | — | — |
| | | 195,462 | 104,813 | 5 | 5 |
| 上市股份市值 | Market value of listed shares | 598,294 | 587,520 | — | — |

截至二零零二年十二月三十一日止年度

For the year ended 31st December, 2002

17. 於聯營公司權益 (續)

17. INTERESTS IN ASSOCIATES (continued)

附註：

Notes:

(a) 於年內，由於收購本公司之聯營公司豐采多媒體控股有限公司(簡稱「豐采多媒體」)(前稱海岸集團有限公司)股權額外1.97%及Golden Capital International Limited而產生之商譽分別為26,218,000港元及39,749,000港元。由於收購聯營公司而產生的商譽變動如下：

(a) During the year, goodwill of approximately HK\$26,218,000 and approximately HK\$39,749,000 arose on the acquisition of additional 1.97% interest in Riche Multi-Media Holdings Limited (“Riche Multi Media”) (formerly known as Ocean Shores Group Limited), the associate of the Company, and on the acquisition of Golden Capital International Limited respectively. Details of movements in goodwill arising on acquisition of associates are as follows:

| | | 千港元 HK\$'000 |
|---------------|-------------------------|-----------------|
| 成本 | COST | |
| 於二零零二年一月一日 | At 1st January, 2002 | 8,129 |
| 購入所產生 | Arising on acquisitions | 65,967 |
| 於二零零二年十二月三十一日 | At 31st December, 2002 | 74,096 |
| 攤銷 | AMORTISATION | |
| 於二零零二年一月一日 | At 1st January, 2002 | 488 |
| 本年度攤銷 | Amortised for the year | 1,667 |
| 於二零零二年十二月三十一日 | At 31st December, 2002 | 2,155 |
| 賬面值 | CARRYING AMOUNTS | |
| 於二零零二年十二月三十一日 | At 31st December, 2002 | 71,941 |
| 於二零零一年十二月三十一日 | At 31st December, 2001 | 7,641 |

商譽採用之攤銷期為7至10年。本年度之攤銷支出款項已記於應佔聯營公司業績及於綜合收入表入賬。

The amortisation period adopted for the goodwill is 7 to 10 years and amortisation charged in the current year has been included in the amount reported as share of results of associates in the consolidated income statement.

(b) 年內，豐采多媒體向本集團發行合共33,800,000港元之可換股票據，以收購116套影片在中國及蒙古之特許權，而特許權由二零零二年四月八日起計為期十年。該等票據按年利率1厘計息，須每半年支付利息，並將於二零零五年四月十九日到期。於到期前，本集團或豐采多媒體均無權贖回或要求贖回該等票據。該等票據附有權利可於二零零五年四月十九日或之前隨時按每股4.00港元之兌換價將全部或部份尚未贖回本金之票據兌換為豐采多媒體每股面值0.1港元之普通股，而本集團亦可轉讓全部或部份尚未贖回本金之票據。

(b) During the year, Riche Multi-Media issued convertible notes in an aggregate amount of HK\$33.8 million to the Group for the purchase of exclusive distribution rights in the PRC and Mongolia in respect of 116 motion pictures for a term of 10 years from 8th April, 2002. The notes bear interest at 1% per annum which is payable semi-annually in arrears and will mature on 19th April, 2005. Prior to the maturity, neither the Group nor Riche Multi-Media has the right to redeem or request for redemption of the notes. The notes carry the right to convert the whole or any part of the outstanding principal amount of the notes into ordinary shares of HK\$0.1 each in the share capital of Riche Multi-Media at a conversion price of HK\$4 per share at any time on or before 19th April, 2005 and may be transferred in whole or in part of the outstanding principal amount by the Group.

截至二零零二年十二月三十一日止年度

For the year ended 31st December, 2002

17. 於聯營公司權益 (續)

附註：(續)

- (c) 給予聯營公司貸款包括無抵押貸款1,500,000港元，而該無抵押貸款按年利率3厘計算利息，並可於二零零二年九月十七日或之後按原定換股價每股1港元兌換為該聯營公司之股份。於年內，本集團並沒有行使權利把該筆貸款轉變為該聯營公司之股權。其餘貸款均為無抵押及免息。

於二零零二年十二月三十一日後，本集團把該聯營公司及該聯營公司於二零零二年十二月三十一日止或該日後所欠本集團之所有款項出售，售價為500,000港元。

主要聯營公司於二零零二年十二月三十一日之詳情載於附註40。

以下詳情摘錄自豐采多媒體經審核綜合財務報表：

17. INTERESTS IN ASSOCIATES (continued)

Notes: (continued)

- (c) Included in loans to an associate is a loan of HK\$1,500,000 which is unsecured, bears interest at 3% per annum and carries the right to convert the amount into shares of the relevant associate at an initial conversion price of HK\$1 per share on or after 17th September, 2002. During the year, the Group did not exercise its right to convert the loan into shares of this associate. All other loans are unsecured and non-interest bearing.

Subsequent to 31st December, 2002, the Group disposed of its entire equity interest in and assigned all loans including those loans made by the Group to this associate after 31st December, 2002 due from this associate to a third party for a consideration of HK\$500,000.

Details of the principal associates at 31st December, 2002 are set out in note 40.

The following details have been extracted from the audited consolidated financial statements of Riche Multi-Media:

| | | 二零零二年 2002 千港元 HK\$'000 | 二零零一年 2001 千港元 HK\$'000 |
|------------|--|----------------------------------|----------------------------------|
| 營業額 | Turnover | 89,443 | 28,007 |
| 除稅前虧損 | Loss before taxation | (26,471) | (100,731) |
| 除稅後本集團應佔虧損 | Loss after taxation attributable to the Group | (9,790) | (15,960) |
| 非流動資產 | Non-current assets | 284,717 | 147,676 |
| 流動資產 | Current assets | 46,775 | 125,176 |
| 流動負債 | Current liabilities | 76,070 | 23,861 |
| 非流動負債 | Non-current liabilities | 35,318 | 2,728 |
| 資產淨值 | Net assets | 220,104 | 246,263 |
| 本集團應佔資產淨值 | Net assets attributable to the Group | 89,384 | 95,156 |

截至二零零二年十二月三十一日止年度

For the year ended 31st December, 2002

18. 應收貸款

該貸款為貸予一間本集團持有長期股本權益之公司之股東貸款，以資助該公司之業務。

該貸款為無抵押、免息及無固定還款期。依董事之意見，有關款項不會在未來十二個月內償還。

根據二零零三年二月該公司通過之董事會決議案，該公司需股東提供額外貸款約938,000,000港元，其中約46,900,000港元為本集團應貢獻之資本項本。但本集團並無責任向該公司提供貸款。

19. 投資按金

根據本集團及第三方訂立之意向書及契約，本集團將購入一間主要從事中國客車錄影帶廣告業務之公司的49%股權，代價不多於98,000,000港元。於二零零二年十二月三十一日，根據意向書，本集團為收購此項投資已付按金49,000,000港元。倘本集團因任何理由未能滿意財務及法例方面的盡職審查，按金將可退回。預計完成收購日期為二零零三年九月三十日或以前。

18. LOAN RECEIVABLE

The loan represents a shareholder's loan made to a company, in which the Group is holding a long term equity interest, to finance the activity of this investee company.

The loan is unsecured, non-interest bearing and has no fixed terms of repayment. In the opinion of the directors, the amount will not be received within the next twelve months.

Pursuant to the resolution passed by the board of directors of this investee company in February 2003, this investee company will require its shareholders to make a further loan of approximately HK\$938 million, of which approximately HK\$46.9 million shall be contributed by the Group, to finance its capital project. However, the Group has no obligation to make the loan to the investee company.

19. DEPOSIT FOR INVESTMENT

Pursuant to the letters of intent and deeds entered into between the Group and a third party, the Group will purchase 49% equity interest in a company which principally engages in video advertising business on coaches in the PRC at a consideration of not more than HK\$98 million. At 31st December, 2002, the Group paid a deposit of HK\$49 million pursuant to the letters of intent. This deposit is refundable if the Group is not satisfied with the financial and legal due diligence for any reason. The expected completion date is on or before 30th September, 2003.

截至二零零二年十二月三十一日止年度

For the year ended 31st December, 2002

20. 存貨

20. INVENTORIES

| | | 本集團 The Group | |
|-----|------------------|----------------------------------|----------------------------------|
| | | 二零零二年 2002 千港元 HK\$'000 | 二零零一年 2001 千港元 HK\$'000 |
| 在製品 | Work in progress | — | 5,936 |
| 製成品 | Finished goods | 2,163 | 5,284 |
| | | 2,163 | 11,220 |

以上數額包括1,515,000港元(二零零一年：3,688,000港元)以變現淨值計賬之製成品。

Included above are finished goods of HK\$1,515,000 (2001: HK\$3,688,000) which are carried at net realisable value.

21. 電影版權

21. FILM RIGHTS

| | | 本集團 The Group 千港元 HK\$'000 |
|---------------|-------------------------------|-------------------------------------|
| 成本 | COST | |
| 於二零零二年一月一日 | At 1st January, 2002 | 588,249 |
| 添置 | Additions | 181,424 |
| 於二零零二年十二月三十一日 | At 31st December, 2002 | 769,673 |
| 攤銷及減值 | AMORTISATION AND IMPAIRMENT | |
| 於二零零二年一月一日 | At 1st January, 2002 | 303,276 |
| 本年度攤銷 | Amortised for the year | 190,372 |
| 已確認減值虧損 | Impairment loss recognised | 136,734 |
| 於二零零二年十二月三十一日 | At 31st December, 2002 | 630,382 |
| 賬面值 | CARRYING AMOUNTS | |
| 於二零零二年十二月三十一日 | At 31st December, 2002 | 139,291 |
| 於二零零一年十二月三十一日 | At 31st December, 2001 | 284,973 |

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For the year ended 31st December, 2002

21. 電影版權 (續)

由於競爭激烈使舊有版權之價格偏低，故此董事已重估電影版權於結算日之可收回數額，並就此確認減值虧損總額約136,734,000港元(二零零一年：55,000,000港元)。董事認為，電影版權於二零零二年十二月三十一日之賬面值指根據二零零二年十二月三十一日之估值而計算之電影版權售價淨額。上述估值乃由獨立專業估值師行安迪評值有限公司進行，並按折現率20%將預計現金流量折現所得之預期日後發行及轉授電影版權收入現值而計算。

22. 製作中電影

製作中電影，成本值
已確認減值虧損

由於經濟持續變壞，娛樂事業面對前所未有的困境。董事因而重估製作中電影於結算日之可收回數額。董事考慮完成此等製作中電影所需之額外成本及其估計之未來收入，確認減值虧損額約33,163,000港元(二零零一年：無)。

21. FILM RIGHTS (continued)

As the price for old titles remained low due to keen competition, the directors reassessed the recoverable amount of film rights at the balance sheet date. Total impairment loss of approximately HK\$136,734,000 (2001: HK\$55,000,000) was recognised. In the opinion of the directors, the carrying value of film rights as at 31st December, 2002 represented the net selling price of the film rights which was determined by reference to valuations as at 31st December, 2002. The valuations were performed by Adonis Appraisal Limited, an independent firm of professional valuers, and were determined based on the present value of the expected future revenue arising from the distribution and sub-licensing of the film rights, which was derived from discounting the projected cash flow by a discount rate. The discount rate used was 20%.

22. FILMS IN PROGRESS

| | | 二零零二年 2002 千港元 HK\$'000 | 二零零一年 2001 千港元 HK\$'000 |
|-----------|----------------------------|----------------------------------|----------------------------------|
| 製作中電影，成本值 | Films in progress, at cost | 114,509 | 136,196 |
| 已確認減值虧損 | Impairment loss recognised | (33,163) | — |
| | | 81,346 | 136,196 |

Due to drastic and dramatic economic downturn, the entertainment business has experienced a difficult time. The directors reassessed the recoverable amount of films in progress at the balance sheet date. Having taken into account of the additional costs to be incurred and estimated revenue to be generated from these films in progress, the directors recognised an impairment loss of HK\$33,163,000 (2001: nil).

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For the year ended 31st December, 2002

23. 貿易應收賬款

給予客戶之賒賬期為30至90日不等。貿易應收賬款之賬齡分析如下：

23. TRADE DEBTORS

The credit period granted to customers ranges from 30 to 90 days. The aged analysis of trade debtors is as follows:

| | | 本集團 The Group | |
|---------------------------|---|----------------------------------|----------------------------------|
| | | 二零零二年 2002 千港元 HK\$'000 | 二零零一年 2001 千港元 HK\$'000 |
| 豐采多媒體及其附屬公司 (統稱「豐采集團」) | Riche Multi-Media and its subsidiaries (collectively the "Riche Group") | | |
| 0至30日 | 0 to 30 days | 3,134 | — |
| 61至90日 | 61 to 90 days | 2,180 | — |
| 91至180日 | 91 to 180 days | 643 | — |
| 超過180日 | Over 180 days | 2,546 | — |
| | | 8,503 | — |
| 其他 | Others | | |
| 0至30日 | 0 to 30 days | 3,353 | 14,739 |
| 31至60日 | 31 to 60 days | 1,095 | 8,492 |
| 61至90日 | 61 to 90 days | 163 | 2,904 |
| 91至180日 | 91 to 180 days | 2,604 | 33,463 |
| 超過180日 | Over 180 days | 3,315 | 2,371 |
| | | 10,530 | 61,969 |
| | | 19,033 | 61,969 |

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24. 應收及應付聯營公司款項

本集團及本公司

此款項無抵押、不計利息且無固定還款期。

25. 應收關連公司款項

本集團

根據一份製作服務協議支付之按金

此數額為根據本公司之全資附屬公司中國星演藝管理有限公司與本公司董事向華強先生及陳明英女士擔任董事及擁有實益權益之永盛音像企業(香港)有限公司(「永盛音像」)訂立之製作服務協議，以支付永盛音像之按金。此數額為無抵押、免息及於年內由永盛音像全數償還。

24. AMOUNTS DUE FROM AND TO ASSOCIATES

The Group and the Company

The amounts are unsecured, non-interest bearing and have no fixed repayment terms.

25. AMOUNTS DUE FROM RELATED COMPANIES

The Group

Deposit paid under a production service agreement

The amount represented deposit paid to Win's Music & Video Enterprises (Hong Kong) Limited ("Win's Music"), a company in which Mr. Heung Wah Keung and Ms. Chen Ming Yin, Tiffany, directors of the Company, are also directors of and have beneficial interests in, under a production service agreement entered into between China Star Management Limited, a wholly-owned subsidiary of the Company, and Win's Music. The amount was unsecured, interest-free and fully repaid by Win's Music during the year.

| 於二零零二年 十二月三十一日 之結餘 Balance at 31.12.2002 千港元 HK\$'000 | 於二零零二年 一月一日 之結餘 Balance at 1.1.2002 千港元 HK\$'000 | 年內未償還 最高款額 Maximum amount outstanding during the year 千港元 HK\$'000 |
|--|---|--|
| | | |

—

22,750

22,750

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26. 貿易應付賬款

貿易應付賬款之賬齡分析如下：

26. TRADE CREDITORS

The aged analysis of the trade creditors is as follows:

| | | 本集團 The Group | |
|---------|----------------|----------------------------------|----------------------------------|
| | | 二零零二年 2002 千港元 HK\$'000 | 二零零一年 2001 千港元 HK\$'000 |
| 0至30日 | 0 to 30 days | 3,244 | 7,760 |
| 31至60日 | 31 to 60 days | 265 | 1,752 |
| 61至90日 | 61 to 90 days | 659 | 153 |
| 91至180日 | 91 to 180 days | 2,957 | 6,656 |
| 超過180日 | Over 180 days | 9,349 | 13,500 |
| | | 16,474 | 29,821 |

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27. 借貸

27. BORROWINGS

| | | 本集團 | | 本公司 | |
|------------------|--|---------------|----------|---------------|----------|
| | | The Group | | The Company | |
| | | 二零零二年 | 二零零一年 | 二零零二年 | 二零零一年 |
| | | 2002 | 2001 | 2002 | 2001 |
| | | 千港元 | 千港元 | 千港元 | 千港元 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| 有抵押銀行貸款 | Secured bank loan | 19,138 | 21,000 | — | — |
| 有抵押財務機構其他貸款 | Secured other loan from a financial institution | — | 25,000 | — | — |
| 無抵押可換股貸款票據 | Unsecured convertible loan notes | 20,000 | 70,000 | 20,000 | 70,000 |
| | | 39,138 | 116,000 | 20,000 | 70,000 |
| 上述貸款之到期日如下： | The maturity of the above borrowings is as follows: | | | | |
| 一年內 | Within one year | 1,920 | 26,861 | — | — |
| 兩年以上但不超過五年 | More than two years but not exceeding five years | 20,000 | 70,000 | 20,000 | 70,000 |
| 五年以上 | More than five years | 17,218 | 19,139 | — | — |
| | | 39,138 | 116,000 | 20,000 | 70,000 |
| 減：一年內到期列入流動負債之款項 | Less: Amount due within one year shown under current liabilities | (1,920) | (26,861) | — | — |
| 一年後到期之款項 | Amount due after one year | 37,218 | 89,139 | 20,000 | 70,000 |

銀行貸款按商業利率計息，於10年內以等額分期攤還。

The bank loan bears interest at commercial rate and is repayable in instalments over a period of 10 years.

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For the year ended 31st December, 2002

27. 借貸 (續)

可換股貸款票據按年利率4厘計息，每半年期末支付利息一次，將於二零零四年六月三十日到期。票據附有權利，可於二零零二年七月一日之後按每股0.20港元(可作調整)之初步換股價，將票據本金額兌換為本公司股本中每股面值0.05港元之股份。換股價因年內完成供股、股份合併及供股與發行紅股而調整為每股5.83港元。自二零零二年七月一日至二零零三年六月三十日，票據持有人可兌換最高不超過票據三分之一之賬面值。自二零零三年七月一日至二零零四年六月三十日前第十四個營業日，票據持有人可兌換票據之餘下賬面值。除非之前已兌換或償還，否則於二零零二年七月一日或之後，票據持有人可要求提早償還票據之未兌換本金總額全數連應計利息。年內，本集團已贖回本金總額50,000,000港元之可換股貸款票據。

27. BORROWINGS (continued)

The convertible loan notes bear interest at 4% per annum which will be payable semi-annually in arrears and will mature on 30th June, 2004. The notes carry the right to convert the principal amount of the notes into shares of HK\$0.05 each in the share capital of the Company at an initial conversion price of HK\$0.20 per share, subject to adjustment, on or after 1st July, 2002. The conversion price was adjusted to HK\$5.83 per share due to the completion of rights issue, consolidation of shares and rights issue with bonus issue during the year. From 1st July, 2002 to 30th June, 2003, the noteholders can convert up to a maximum of one-third of the face value of the notes. From 1st July, 2003 to 14th business day immediately preceding 30th June, 2004, the noteholders can convert the remaining face value of the notes. Unless previously converted or repaid, at any time on or after 1st July, 2002, the noteholders may request early repayment of up to the entire amount of the outstanding principal amount of the notes together with accrued interest. During the year, the Group redeemed an aggregate principal amount of HK\$50 million convertible loan notes.

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28. 股本

28. SHARE CAPITAL

| | | 股份數目 | | 金額 | |
|-----------------|--|--------------------|------------|------------------|-----------|
| | | Number of shares | | Amount | |
| | | 二零零二年 | 二零零一年 | 二零零二年 | 二零零一年 |
| | | 2002 | 2001 | 2002 | 2001 |
| | | 千股 | 千股 | 千港元 | 千港元 |
| | | '000 | '000 | HK\$'000 | HK\$'000 |
| 每股面值0.05港元之普通股 | Ordinary shares of HK\$0.05 each | | | | |
| 法定股本 | Authorised | 20,000,000 | 20,000,000 | 1,000,000 | 1,000,000 |
| 已發行及繳足股本： | Issued and fully paid: | | | | |
| 年初 | At beginning of year | 1,763,267 | 1,763,267 | 88,163 | 88,163 |
| 配售股份 (附註a及c) | Placement of shares (notes a and c) | 987,430 | — | 49,372 | — |
| 供股 (附註b) | Rights issue (note b) | 1,057,960 | — | 52,898 | — |
| 股份合併及股本削減 (附註d) | Consolidation of shares and capital reduction (note d) | (3,732,484) | — | (186,624) | — |
| 供股與發行紅股 (附註e) | Rights issue with bonus issue (note e) | 152,346 | — | 7,617 | — |
| 年終 | At end of year | 228,519 | 1,763,267 | 11,426 | 88,163 |

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For the year ended 31st December, 2002

28. 股本 (續)

附註：

- (a) 於二零零二年三月二日，本公司根據有關安排按每股0.095港元之價格向獨立投資者私人配售Porterstone Limited (「Porterstone」) 及多實有限公司 (「多實」) 分別所持之195,000,000股及107,000,000股每股面值0.05港元之本公司股份。向華強先生及陳明英女士均被視為實益擁有Porterstone及多實之權益。上述配售價較本公司股份於二零零二年三月一日之收市價折讓6.86%。

根據同日之認購協議，Porterstone及多實按每股0.095港元之價格分別認購221,000,000股及131,653,393股每股面值0.05港元之本公司新股份。所得款項淨額約為32,000,000港元，已用作電影製作及本集團之一般營運資金。該等新股份乃根據本公司於二零零一年五月三十日舉行之股東週年大會上董事獲授之一般授權而發行，在各方面均與其他已發行股份享有同等權益。

- (b) 於二零零二年五月三日，本公司以供股方式按二零零二年四月十二日每持有兩股股份可獲發一股供股股份之比例，按每股0.05港元之認購價發行1,057,960,179股每股面值0.05港元之新股份。所得款項淨額約為51,000,000港元，已用作電影製作及本集團之一般營運資金。
- (c) 於二零零二年六月一日及六月三日，本公司根據有關安排按每股0.063港元之價格向獨立投資者私人配售Porterstone、多實、向華強先生及陳明英女士分別所持之226,000,000股、100,000,000股、80,000,000股及40,000,000股每股面值0.05港元之本公司股份。上述配售價較本公司股份於二零零二年五月三十一日之收市價折讓13.70%。

根據二零零二年六月一日之認購協議及二零零二年六月三日之補充認購協議，Porterstone、多實、向華強先生及陳明英女士按每股0.063港元之價格分別認購320,090,979股、144,165,848股、113,317,880股及57,201,400股每股面值0.05港元之本公司新股份。所得款項約為39,000,000港元，已用作電影製作及本集團一般營運資金。該等新股份乃根據本公司於二零零二年五月二十七日舉行之股東週年大會上董事獲授之一般授權而發行，在各方面均與其他已發行股份享有同等權益。

28. SHARE CAPITAL (continued)

Notes:

- (a) On 2nd March, 2002, arrangements were made for a private placement to independent investors of 195,000,000 and 107,000,000 shares of HK\$0.05 each in the Company held by Porterstone Limited ("Porterstone") and Dorest Company Limited ("Dorest") respectively, companies in which Mr. Heung Wah Keung and Ms. Chen Ming Yin, Tiffany have deemed beneficial interests, at a price of HK\$0.095 per share, representing a discount of 6.86% to the closing market price of the Company's shares on 1st March, 2002.

Pursuant to the subscription agreement of the same date, Porterstone and Dorest subscribed for 221,000,000 and 131,653,393 new shares of HK\$0.05 each in the Company respectively at a price of HK\$0.095 per share. The net proceeds of approximately HK\$32 million were used for movie production and as general working capital of the Group. These new shares were issued under the general mandate granted to the directors at the annual general meeting of the Company held on 30th May, 2001 and rank pari passu with other shares in issue in all respects.

- (b) On 3rd May, 2002, the Company issued 1,057,960,179 new shares of HK\$0.05 each by way of a rights issue on the basis of one rights share for every two shares held on 12th April, 2002 at a subscription price of HK\$0.05 per share. The net proceeds of approximately HK\$51 million were used for movie production and as general working capital of the Group.

- (c) On 1st June, 2002 and 3rd June, 2002, arrangements were made for private placements to independent investors of 226,000,000, 100,000,000, 80,000,000 and 40,000,000 shares of HK\$0.05 each in the Company held by Porterstone, Dorest, Mr. Heung Wah Keung and Ms. Chen Ming Yin, Tiffany respectively, at a price of HK\$0.063 per share, representing a discount of 13.70% to the closing market price of the Company's shares on 31st May, 2002.

Pursuant to the subscription agreement dated 1st June, 2002 and supplemental subscription agreement dated 3rd June, 2002, Porterstone, Dorest, Mr. Heung Wah Keung and Ms. Chen Ming Yin, Tiffany subscribed for 320,090,979, 144,165,848, 113,317,880 and 57,201,400 new shares of HK\$0.05 each in the Company respectively at a price of HK\$0.063 per share. The net proceeds of approximately HK\$39 million were used for movie production and as general working capital of the Group. These new shares were issued under the general mandate granted to the directors at the annual general meeting of the Company held on 27th May, 2002 and rank pari passu with other shares in issue in all respects.

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28. 股本 (續)

附註：(續)

(d) 根據二零零二年九月九日舉行之本公司股東特別大會上股東所通過之特別決議案，本公司：

- (i) 將每股面值0.05港元之已發行股份之面值削減0.049港元至每股0.001港元(「股本削減」)；及
- (ii) 將本公司股本中每50股每股面值0.001港元之已發行股份合併為一股每股面值0.05港元之新股份(「股份合併」)。

因應股本削減，約186,624,000港元自本公司股本賬中註銷及計入本公司繳入盈餘賬。緊隨股本削減及股份合併於二零零二年九月十日生效後，本公司已發行股本由76,173,132股每股面值0.05港元之股份組成。股本削減及股份合併之詳情載於本公司於二零零二年八月三十日發出之公告。

(e) 於二零零二年十月二日，本公司以供股方式按二零零二年九月九日每持有一股每股面值0.05港元之股份可獲發一股供股股份之比例，按每股1.25港元之認購價發行76,173,132股每股面值0.05港元之新股份。另以發行紅股之方式按每根據供股承購一股供股股份可獲發一股紅股之比例(股款須於接納時繳足)，派送76,173,132股每股面值0.05港元之新股份。所得款項淨額約為92,000,000港元，用作電影製作及本集團之一般營運資金。

認股權證

二零零零年八月一日，本公司透過私人配售以發行價0.075港元發行340,000,000份認股權證。該等認股權證各賦予持有人權利，自二零零零年八月三日至二零零三年二月二日(包括首尾兩日)期間可隨時以每股0.35港元之初步認購價認購本公司股本中每股面值0.05港元之1股普通股。認購價已因應年內完成之配售股份、供股、股份合併及供股與發行紅股調整至每股9.61港元。

年內並無發行及行使認股權證。於結算日，本公司共有12,382,934份尚未行使之認股權證。全面行使上述認股權證將導致額外發行12,382,934股每股面值0.05港元之普通股。所有認股權證已於二零零三年二月二日屆滿。

28. SHARE CAPITAL (continued)

Notes: (continued)

(d) Pursuant to the special resolution passed by the shareholders at the special general meeting of the Company held on 9th September, 2002, the Company:

- (i) reduced the nominal value of each of the issued shares of HK\$0.05 each by HK\$0.049 to HK\$0.001 each ("Capital Reduction"); and
- (ii) consolidated every fifty issued shares of the Company with nominal value of HK\$0.001 each in the share capital of the Company into one new share of HK\$0.05 each ("Share Consolidation").

As a result of the Capital Reduction, an amount of approximately HK\$186,624,000 from the share capital account of the Company was cancelled and credited to the contributed surplus account of the Company. Immediately following the Capital Reduction and Share Consolidation effective on 10th September, 2002, the issued share capital of the Company comprises 76,173,132 shares of HK\$0.05 each. Details of the Capital Reduction and Share Consolidation are set out in the circular issued by the Company dated 30th August, 2002.

(e) On 2nd October, 2002, the Company issued 76,173,132 shares of HK\$0.05 each by way of a rights issue on the basis of one rights share for every one share of HK\$0.05 each in the share capital of the Company held on 9 September 2002 at a subscription price of HK\$1.25 per rights share, and 76,173,132 shares of HK\$0.05 each by way of a bonus issue on the basis of one bonus share for every one rights share taken up under the rights issue payable in full on acceptance. The net proceeds of approximately HK\$92 million would be used for film production and as general working capital of the Group.

Warrants

On 1st August, 2000, the Company issued 340,000,000 warrants at an issue price of HK\$0.075 per warrant by private placement. Each warrant entitles the holder to subscribe for one ordinary share of HK\$0.05 each in the share capital of the Company at an initial subscription price of HK\$0.35 per share, subject to adjustment, at any time from 3rd August, 2000 to 2nd February, 2003, both dates inclusive. The subscription price was adjusted to HK\$9.61 per share due to the completion of placement of shares, rights issue, Share Consolidation and rights issue with bonus issue during the year.

During the year, no warrants were issued or exercised. At the balance sheet date, the Company had outstanding 12,382,934 warrants. The exercise in full of such warrants would result in the issue of 12,382,934 additional ordinary shares of HK\$0.05 each. All warrants were expired on 2nd February, 2003.

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29. 儲備

29. RESERVES

| | | 股份溢價 Share premium 千港元 HK\$'000 | 綜合帳目 之商譽 Goodwill on consolidation 千港元 HK\$'000 | 繳入盈餘 Contributed surplus 千港元 HK\$'000 | 匯兌儲備 Exchange reserve 千港元 HK\$'000 | 認股權證 儲備 Warrant reserve 千港元 HK\$'000 | 股本 削減儲備 Capital reduction reserve 千港元 HK\$'000 | 投資 重估儲備 Investment revaluation reserve 千港元 HK\$'000 | 累積虧損 Accumulated losses 千港元 HK\$'000 | 總額 Total 千港元 HK\$'000 |
|--------------------------------------|---|---|--|---|--|---|--|---|--|--------------------------------|
| 本集團 | The Group | | | | | | | | | |
| 於二零零一年 一月一日 | At 1st January, 2001 | 809,290 | (122,915) | — | (569) | 23,868 | 316,008 | (12,960) | (72,564) | 940,158 |
| 撥為於聯營 公司權益 | Released to interests in associates | — | — | — | — | — | — | 12,960 | — | 12,960 |
| 已確認之商譽 減值虧損 | Impairment loss recognised in respect of goodwill | — | 38,666 | — | — | — | — | — | — | 38,666 |
| 匯兌調整 | Exchange adjustment | — | — | — | (16) | — | — | — | — | (16) |
| 年度虧損淨額 | Net loss for the year | — | — | — | — | — | — | — | (191,207) | (191,207) |
| 於二零零一年 十二月三十一日及 於二零零二年 一月一日 | At 31st December, 2001 and 1st January, 2002 | 809,290 | (84,249) | — | (585) | 23,868 | 316,008 | — | (263,771) | 800,561 |
| 已確認之商譽 減值虧損(附註a) | Impairment loss recognised in respect of goodwill (note a) | — | 90,575 | — | — | — | — | — | — | 90,575 |
| 配售股份 | Placement of shares | 24,121 | — | — | — | — | — | — | — | 24,121 |
| 供股 | Rights issue | 91,408 | — | — | — | — | — | — | — | 91,408 |
| 發行紅股 | Bonus issue | (3,809) | — | — | — | — | — | — | — | (3,809) |
| 股份發行開支 | Share issuing expenses | (6,732) | — | — | — | — | — | — | — | (6,732) |
| 股本削減 (附註28(d)) | Capital Reduction (note 28(d)) | — | — | 186,624 | — | — | — | — | — | 186,624 |
| 削減股份溢價 並轉至累積虧損 (附註b) | Reduction of share premium transferred to accumulated losses (note b) | (215,960) | — | — | — | — | — | — | 215,960 | — |
| 應佔一間聯營公司 之物業未變現 虧損 | Share of an associate's unrealised loss on property | — | — | — | — | — | — | (355) | — | (355) |
| 匯兌調整 | Exchange adjustment | — | — | — | 537 | — | — | — | — | 537 |
| 年度虧損淨額 | Net loss for the year | — | — | — | — | — | — | — | (395,690) | (395,690) |
| 於二零零二年 十二月三十一日 | At 31st December, 2002 | 698,318 | 6,326 | 186,624 | (48) | 23,868 | 316,008 | (355) | (443,501) | 787,240 |
| 分佔： 本公司及其 附屬公司 聯營公司 | Attributable to: Company and subsidiaries Associates | 698,318 | 6,326 | 186,624 | (48) | 23,868 | 316,008 | — | (415,570) | 815,526 |
| | | — | — | — | — | — | — | (355) | (27,931) | (28,286) |
| | | 698,318 | 6,326 | 186,624 | (48) | 23,868 | 316,008 | (355) | (443,501) | 787,240 |
| 本公司 | The Company | | | | | | | | | |
| 於二零零一年 一月一日 | At 1st January, 2001 | 809,290 | — | 20,924 | — | 23,868 | 316,008 | — | (105,063) | 1,065,027 |
| 年度虧損淨額 | Net loss for the year | — | — | — | — | — | — | — | (110,897) | (110,897) |
| 於二零零一年 十二月三十一日 及於二零零二年 一月一日 | At 31st December, 2001 and at 1st January, 2002 | 809,290 | — | 20,924 | — | 23,868 | 316,008 | — | (215,960) | 954,130 |
| 配售股份 | Placement of shares | 24,121 | — | — | — | — | — | — | — | 24,121 |
| 供股 | Rights issue | 91,408 | — | — | — | — | — | — | — | 91,408 |
| 發行紅股 | Bonus issue | (3,809) | — | — | — | — | — | — | — | (3,809) |
| 股份發行開支 | Share issuing expenses | (6,732) | — | — | — | — | — | — | — | (6,732) |
| 股本削減 (附註28(d)) | Capital Reduction (note 28(d)) | — | — | 186,624 | — | — | — | — | — | 186,624 |
| 削減股份溢價 並轉至累積虧損 (附註b) | Reduction of share premium transferred to accumulated losses (note b) | (215,960) | — | — | — | — | — | — | 215,960 | — |
| 年度 虧損淨額 | Net loss for the year | — | — | — | — | — | — | — | (458,582) | (458,582) |
| 於二零零二年 十二月三十一日 | At 31st December, 2002 | 698,318 | — | 207,548 | — | 23,868 | 316,008 | — | (458,582) | 787,160 |

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29. 儲備 (續)

附註：

- (a) 由於視像節目廣播於中國之營商環境有所變更，本集團已重估該項產生現金單位之資產之可收回數額，並就因收購此單位而產生之商譽賬面值確認為數90,575,000港元之減值虧損。
- (b) 根據本公司於二零零二年九月九日舉行之股東特別大會中通過之特別決議案，本公司削減股份溢價賬中約215,960,000港元，並用以撇銷本公司之累積虧損。
- (c) 根據一九八一年百慕達公司法(修訂本)，本公司之股份溢價可用作繳足本公司之未發行股份，作為繳足紅股發行予股東。
- (d) 本集團之繳入盈餘乃指因股本削減於二零零二年九月十日生效而轉自股本賬之數額。
- (e) 本公司之繳入盈餘為本公司所收購附屬公司之相關有形資產淨值與本公司於一九九二年進行集團重組時所發行之股本面值及因股本削減於二零零二年九月十日生效而轉自股本賬之數額之差額。

根據一九八一年百慕達公司法(修訂本)，公司之繳入盈餘賬可供分派。然而，公司不得在下列情況下於繳入盈餘中宣佈或派發股息或作出分派：

- (i) 公司現時或將於派息後無力償還到期而應償還之債項；或
- (ii) 公司資產之可變現價值因派息而少於其負債加已發行股本及股份溢價賬之總和。
- (f) 認股權證儲備指二零零零年配售之認股權證之已收款項扣除已付支出。該儲備將於行使認股權證時撥至股本及股份溢價賬。
- (g) 股本削減儲備指於一九九八年將本公司332,640,000股已發行股份之面值由每股面值1.00港元削減至每股面值0.05港元。依董事之意見，於二零零二年十二月三十一日股本削減儲備不得予以分派。
- (h) 依董事之意見，於二零零二年及二零零一年十二月三十一日，本公司並無可分派予本公司股東之儲備。

30. 非現金交易

本集團於年內向豐采集團出售116套影片在中國及蒙古之特許權，特許權由二零零二年四月八日起計為期十年。總代價為33,800,000港元，由豐采多媒體發行總額33,800,000港元之可換股票據支付。

29. RESERVES (continued)

Notes:

- (a) Due to the changes in the business environment of the visual programme boardcasting business in the PRC, the Group reassessed the recoverable amount of the assets of this cash-generating unit and recognised an impairment loss of HK\$90,575,000 in respect of the remaining goodwill arising from the acquisition of this unit.
- (b) Pursuant to the special resolution passed at the general meeting of the Company held on 9th September, 2002, an amount of approximately HK\$215,960,000 standing to the credit of the share premium account of the Company was reduced and used to write off such amount against the accumulated losses of the Company.
- (c) Under the Companies Act 1981 of Bermuda (as amended), the share premium of the Company can be used in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares.
- (d) The contributed surplus of the Group represents the amount transferred from the capital account due to Capital Reduction effective on 10th September, 2002.
- (e) The contributed surplus of the Company represents the difference between the underlying net tangible assets of the subsidiaries which were acquired by the Company and the nominal amount of the share capital issued by the Company at the time of the group reorganisation in 1992 and the amount transferred from the capital account due to the Capital Reduction effective on 10th September, 2002.

Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus account of a company is available for distribution. However, the company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

- (i) it is, or would after the payment be, unable to pay its liabilities as they become due; or
- (ii) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.
- (f) The warrant reserve represents the amount received net of expenses paid in relation to the placement of warrants in 2000. The reserve will be released to the share capital and share premium accounts upon exercise of the warrants.
- (g) The capital reduction reserve represents the amount arising in relation to the reduction of the nominal value of 332,640,000 issued shares of the Company from HK\$1.00 each to HK\$0.05 each in 1998. In the opinion of the directors, the capital reduction reserve is not distributable as at 31st December, 2002.
- (h) In the opinion of the directors, the Company had no reserves available for distribution to the shareholders of the Company as at 31st December, 2002 and 2001.

30. MAJOR NON-CASH TRANSACTION

During the year, the Group sold licensing rights in the PRC and Mongolia in respect of 116 motion pictures for a term of 10 years from 8th April, 2002 at a total consideration of HK\$33.8 million to Riche Group. The consideration was settled by the issue of convertible notes in an aggregate amount of HK\$33.8 million by Riche Multi-Media.

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31. 收購附屬公司

本集團於二零零一年二月五日以代價265,600,000港元收購High Productive Trading Limited及其附屬公司(一百年電影有限公司)所有已發行股本。交易以會計之採購法入賬。

31. ACQUISITION OF SUBSIDIARIES

On 5th February, 2001, the Group acquired 100% of the issued share capital of High Productive Trading Limited and its subsidiary, One Hundred Years of Film Company Limited, at a consideration of HK\$265,600,000. This transaction has been accounted for using the purchase method of accounting.

| | | 二零零二年 2002 千港元 HK\$'000 | 二零零一年 2001 千港元 HK\$'000 |
|--------------------------|--|----------------------------------|----------------------------------|
| 購入資產淨值 | NET ASSETS ACQUIRED | | |
| 物業、機器及設備 | Property, plant and equipment | — | 548 |
| 製作中電影 | Films in progress | — | 110,063 |
| 按金及預付款項 | Deposits and prepayments | — | 1,237 |
| 銀行結存及現金 | Bank balances and cash | — | 274 |
| 其他應付賬款及應計項目 | Other creditors and accruals | — | (22,184) |
| 稅項撥備 | Provision for taxation | — | (153) |
| | | — | 89,785 |
| 收購所產生之商譽 | Goodwill arising on acquisition | — | 175,815 |
| | | — | 265,600 |
| 支付方式： | Satisfied by: | | |
| 現金代價 | Cash consideration | — | 179,235 |
| 應收永盛娛樂製作有限公司及其附屬公司之款項 | Amounts due from Win's Entertainment Limited and its subsidiaries | — | 86,365 |
| | | — | 265,600 |
| 有關購入附屬公司之現金及現金等值流出淨額之分析： | Analysis of the net outflow of cash and cash equivalents in respect of the purchase of subsidiaries: | | |
| 現金代價 | Cash consideration | — | 179,235 |
| 購入銀行結存及現金 | Bank balances and cash acquired | — | (274) |
| 有關購入附屬公司之現金及現金等值流出淨額 | Net outflow of cash and cash equivalents in respect of the purchase of subsidiaries | — | 178,961 |
| 於年內所購入附屬公司之現金流量 | Cash flows of subsidiaries acquired during the year: | | |
| 對本集團營運現金流量淨額之貢獻 | Contribution of the Group's net operating cashflow | — | 351 |
| 投資業務現金流出淨額 | Net cash outflow for investing activities | — | 51 |
| 來自年內收購之附屬公司之營業額及經營溢利： | Turnover and profit from operations contributed by subsidiaries acquired during the year: | | |
| 營業額 | Turnover | — | 173,639 |
| 經營溢利 | Profit from operations | — | 12,877 |

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32. 租約承擔

於二零零二年十二月三十一日，本集團根據不可撤銷之經營租約租賃物業而須於未來支付之最低租賃款項如下：

32. LEASE COMMITMENTS

At 31st December, 2002, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of rented premises which fall due as follows:

| | | 本集團 The Group | |
|---------|--|----------------------------------|----------------------------------|
| | | 二零零二年 2002 千港元 HK\$'000 | 二零零一年 2001 千港元 HK\$'000 |
| 一年內 | Within one year | 1,824 | 5,373 |
| 第二至第五年內 | In the second to fifth year inclusive | 199 | 1,500 |
| | | 2,023 | 6,873 |

經營租約款項指本集團為辦事處物業所支付之租金。租約主要平均年期兩年，而租金平均兩年內不變。

Operating lease payments represented rentals payable by the Group for its office premises. Leases are mainly negotiated for an average term of 2 years and rentals are fixed for an average of 2 years.

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33. 其他承擔

於二零零二年十二月三十一日，本集團有下列各項已訂立但尚未於財務報表撥備之支出：

33. OTHER COMMITMENTS

At 31st December, 2002, the Group had the following expenditure which had been contracted but not provided for in the financial statements:

| | | 本集團 The Group | |
|---------------------------|---|----------------------------------|----------------------------------|
| | | 二零零二年 2002 千港元 HK\$'000 | 二零零一年 2001 千港元 HK\$'000 |
| 購入物業、機器及設備 | Purchases of property, plant and equipment | 240 | 1,990 |
| 根據電影及電視連續劇特許協議 所收購之發行權 | Acquisition of distribution rights under film and television drama series licensing agreements | 94,697 | 172,505 |
| 根據製作服務協議之應付餘額 | Balance payable under a production service agreement | 324 | 48,750 |
| 網上廣告 | Online advertising | — | 4,348 |
| | | 95,261 | 227,593 |

34. 或然負債

本集團及本公司於二零零二年十二月三十一日並無任何或然負債。

34. CONTINGENT LIABILITIES

The Group and the Company have no significant contingent liabilities at 31st December, 2002.

於截至二零零一年十二月三十一日止年度內，本公司為其全資附屬公司之租金而向銀行提供企業擔保。於二零零一年十二月三十一日，其全資附屬公司之經營租約租賃物業而須於未來支付之款額為640,000港元。

During the year ended 31st December, 2001, the Company gave corporate guarantee to a bank in respect of rental performance by its subsidiaries. At 31st December, 2001, the subsidiaries had commitments for future minimum lease payments under the rental agreement amounting to HK\$640,000.

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35. 資產抵押

於二零零二年十二月三十一日，本集團分別位於香港賬面淨值總額為無（二零零一年：31,022,000港元）及約27,800,000港元（二零零一年：無）之租賃土地及樓宇以及投資物業已按予銀行，作為本集團所獲一項銀行貸款之抵押。

於二零零一年十二月三十一日，本集團向一間財務機構抵押183,600,000股豐采多媒體之股份（即本集團於豐采多媒體之全部權益），作為25,000,000港元其他貸款之抵押。其後貸款已於年內悉數償還，而抵押亦因而獲解除。

36. 購股權計劃

本公司根據於二零零二年五月二十七日舉行之股東週年大會上通過的一項決議案，終止了本公司於一九九六年十月二十三日採納之購股權計劃（「舊購股權計劃」），並採納了一項新購股權計劃（「新購股權計劃」）。

(a) 舊購股權計劃

舊購股權計劃之主要條款概述如下：

- (i) 旨在鼓勵參與者。
- (ii) 參與者包括本集團任何成員公司之僱員或董事。
- (iii) 授出之購股權所涉及之股份上限數目不得超逾本公司不時之已發行股本10%。

35. PLEDGE OF ASSETS

At 31st December, 2002, the Group's leasehold land and buildings and investment properties located in Hong Kong with a total net book value of nil (2001: HK\$31,022,000) and approximately HK\$27,800,000 (2001: nil) respectively were pledged to a bank to secure a bank loan granted to the Group.

At 31st December, 2001, the Group pledged 183,600,000 shares in Riche Multi-Media, being the Group's entire interest in Riche Multi-Media, to secure the other loan of HK\$25,000,000 granted by a financial institution. The loan was fully repaid during the year and the pledge was released accordingly.

36. SHARE OPTION SCHEMES

Pursuant to a resolution passed at the annual general meeting of the Company held on 27th May, 2002, the share option scheme adopted by the Company on 23rd October, 1996 (the "Old Option Scheme") was terminated and a new share option scheme (the "New Option Scheme") was adopted.

(a) The Old Option Scheme

The major terms of the Old Option Scheme are summarised as follows:

- (i) The purpose was to provide incentives to the participants.
- (ii) The participants included any employee or director of any members of the Group.
- (iii) The maximum number of shares in respect of which options might be granted must not exceed 10% of the issued share capital of the Company from time to time.

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36. 購股權計劃 (續)

(a) 舊購股權計劃 (續)

- (iv) 每名參與者可獲授之購股權所涉及之股份上限，加上根據任何購股權而已發行及可發行之股份總數，不得超逾當時股份上限之25%。
- (v) 購股權可於視為授出當日後隨時全部或部份行使。
- (vi) 購股權之行使期不得超逾上述持有期限屆滿日期起計十年。
- (vii) 承授人須於授出日期起計30日內接納購股權(如接納)，並向本公司支付1港元不可退回款項。
- (viii) 購股權之行使價須為下列之較高者：
 - 在授出購股權日期前五個交易日股份之平均收市價80%；及
 - 股份面值。

由於舊購股權計劃已於二零零二年五月二十七日終止，因此再無購股權可根據舊購股權計劃而授出。惟於該終止前按舊購股權計劃已授出而尚未行使之購股權則仍然有效，並可根據舊購股權計劃之條款予以行使。

36. SHARE OPTION SCHEMES (continued)

(a) The Old Option Scheme (continued)

- (iv) The maximum number of shares in respect of which options might be granted to a participant, when aggregated with shares issued and issuable under any option granted to the same participant, must not exceed 25% of the maximum shares from time to time.
- (v) Any option may be exercised in whole or in part at any time after the date on which the option is deemed to be granted.
- (vi) The exercisable period of an option must not exceed a period of 10 years commencing on the expiry of the abovementioned minimum holding period.
- (vii) The acceptance of an option, if accepted, must be made within 30 days from the date of the offer of the grant with a non-refundable payment of HK\$1 from the grantee to the Company.
- (viii) The exercise price of an option must be the higher of:
 - a price not less than 80% of the average closing price of the share for the 5 trading days immediately preceding the grant; and
 - the nominal value of the share.

As the Old Option Scheme was terminated on 27th May, 2002, no further options can be granted under the Old Option Scheme thereafter. However, all outstanding options granted under the Old Option Scheme prior to the said termination shall remain valid and exercisable in accordance with the provisions of the Old Option Scheme.

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36. 購股權計劃 (續)

(b) 新購股權計劃

新購股權計劃之主要條款概述如下：

- (i) 旨在作為參與者對本集團所作出或可能作出之貢獻的獎勵及報酬。
- (ii) 參與者包括：
 - (1) (a) 在本集團任何成員公司、本公司主要股東或由本公司主要股東控制之任何公司任職之任何執行或非執行董事或候任董事(包括任何獨立非執行董事)、全職或兼職僱員或候任僱員；
 - (b) 在本集團任何成員公司、本公司主要股東或由本公司主要股東控制之任何公司任職之任何臨時調派之人士；
 - (c) 持有本集團任何成員公司、本公司主要股東或由本公司主要股東控制之任何公司所發行任何證券之人士；
 - (d) 本集團任何成員公司、本公司主要股東或由本公司主要股東控制之任何公司之業務或合營夥伴、承辦商、代理商或代表；

36. SHARE OPTION SCHEMES (continued)

(b) The New Option Scheme

The major terms of the New Option Scheme are summarised as follows:

- (i) The purpose is to provide incentives and rewards to the participants for their contribution or potential contribution to the Group.
- (ii) The participants include:
 - (1) (a) any director or proposed director (whether executive or non-executive including any independent non-executive director), employee or proposed employee (whether full time or part time) of any member of the Group or any substantial shareholder of the Company or any company controlled by a substantial shareholder of the Company,
 - (b) any individual for the time being seconded to work for any member of the Group or any substantial shareholder of the Company or any company controlled by a substantial shareholder of the Company,
 - (c) any holder of any securities issued by any member of the Group or any substantial shareholder of the Company or any company controlled by a substantial shareholder of the Company,
 - (d) any business or joint venture partner, contractor, agent or representative of any member of the Group or any substantial shareholder of the Company or any company controlled by a substantial shareholder of the Company,

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36. 購股權計劃 (續)

(b) 新購股權計劃 (續)

(ii) 參與者包括 (續)

- (e) 向本集團任何成員公司、本公司主要股東或由本公司主要股東控制之任何公司提供服務之研究人員、技術員、諮詢人、顧問、藝員、演員，以及任何研究公司、技術支援公司、諮詢公司、顧問公司、製作公司、廣告公司、發行公司及專業服務公司；
- (f) 向本集團任何成員公司、本公司主要股東或由本公司主要股東控制之任何公司提供電影、電視節目、影視節目、貨品或服務之供應商、監製、導演或特許權授出人；
- (g) 由本集團任何成員公司、本公司主要股東或由本公司主要股東控制之任何公司提供電影、電視節目、影視節目、貨品或服務之客戶、特許權承授人(包括特許權轉授人)或分銷商；
- (h) 本集團任何成員公司、本公司主要股東或由本公司主要股東控制之任何公司之任何業主或租戶(包括任何分租租戶)；及

36. SHARE OPTION SCHEMES (continued)

(b) The New Option Scheme (continued)

(ii) The participants include: (continued)

- (e) any research assistant, technician, adviser, consultant, artist, actor, actress of, and any research company, technical support company, advisory company, consultancy company, production company, advertising company, distribution company and professional services company to any member of the Group or any substantial shareholder of the Company or any company controlled by a substantial shareholder of the Company,
- (f) any supplier, producer, director or licensor of films, television programmes, video features, goods or services to any member of the Group or any substantial shareholder of the Company or any company controlled by a substantial shareholder of the Company,
- (g) any customer, licensee (including any sub-licensee) or distributor of films, television programmes, video features, goods or services of any member of the Group or any substantial shareholder of the Company or any company controlled by a substantial shareholder of the Company,
- (h) any landlord or tenant (including any sub-tenant) of any member of the Group or any substantial shareholder of the Company or any company controlled by a substantial shareholder of the Company, and

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36. 購股權計劃 (續)

36. SHARE OPTION SCHEMES (continued)

(b) 新購股權計劃 (續)

(b) The New Option Scheme (continued)

- (2) 由一名或多名上述任何類別參與者所控制之公司；
- (2) any company controlled by one or more persons belonging to any of the above classes of participants.
- (iii) 根據新購股權計劃授出之購股權所涉及之股份上限數目不得超逾本公司批准新購股權計劃時之已發行股本10%，惟該上限可由股東於股東大會上更新。因行使所有根據新購股權計劃及任何其他購股權計劃已授出而尚未行使之購股權而發行之股份總數，不得超逾不時已發行股份之30%。於二零零二年十二月三十一日，根據新購股權計劃而可發行之股份總數為7,617,313股，佔本公司於二零零二年十二月三十一日之已發行股本約3.33%。
- (iii) The maximum number of shares in respect of which options may be granted under the New Option Scheme must not exceed 10% of the issued share capital of the Company as at the date of approval of the New Option Scheme and such limit might be refreshed by the shareholders in general meeting. The maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the New Option Scheme and any other share option scheme must not exceed 30% of the shares in issue from time to time. The total number of shares available for issue under the New Option Scheme as at the date of this annual report was 7,617,313, which represented approximately 3.33% of the issued share capital of the Company at the date of this annual report.
- (iv) 除非獲得股東批准，否則每名參與者於十二個月內獲授之購股權（包括已行使、已註銷及尚未行使之購股權）予以行使時所發行及將發行之股份總數，不得超過不時已發行股本之1%。
- (iv) The total number of shares issued and to be issued upon exercise of the options granted to each participant (including exercised, cancelled and outstanding options) in 12 month period must not exceed 1% of the shares in issue from time to time unless the same is approved by the shareholders.
- (v) 行使期由董事會於授出購股權時決定，惟無論如何不得超逾授出日期起計十年。
- (v) The exercise period should be determined by the board of directors upon grant of the option but in any event should not exceed 10 years from the date of offer for grant.
- (vi) 除董事會另有決定及於授出相關購股權時另有規定外，並無規定購股權於行使前須持有之最短限期。
- (vi) Save as determined by the board of directors and provided in the offer of the grant of the relevant options, there is no general requirement that an option must be held for any minimum period before it can be exercised.
- (vii) 承授人須於授出日期起計30日內接納購股權（如接納），並向本公司支付1港元不可退回款項。
- (vii) The acceptance of an option, if accepted, must be made within 30 days from the date of grant with a non-refundable payment of HK\$1 from the grantee to the Company.

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36. 購股權計劃 (續)

36. SHARE OPTION SCHEMES (continued)

(b) 新購股權計劃 (續)

(b) The New Option Scheme (continued)

(viii) 購股權之行使價須為下列之較高者：

(viii) The exercise price of an option must be the highest of:

- 授出日期當日股份之收市價；
- 授出日期前五個交易日股份之平均收市價；及
- 股份面值。

- the closing price of the share on the date of grant;
- the average closing price of the share for the 5 trading days immediately preceding the date of grant; and
- the nominal value of the share.

(ix) 新購股權計劃自採納日期起至二零一二年五月二十六日止十年內有效。

(ix) The New Option Scheme is effective for 10 years from the date of adoption until 26th May, 2012.

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36. 購股權計劃 (續)

36. SHARE OPTION SCHEMES (continued)

下表披露本公司董事、本集團僱員及其他參與者所持本公司購股權之詳情及該等所持權益之變動。

The following table discloses details of the Company's share options held by the Company's directors, the Group's employees and other participants and movements in such holdings:

| 計劃名稱 Name of scheme | 授出日期 Date of grant | 行使期限 Exercisable period | 每股行使價 Exercise price per share 港元 HK\$ (附註i) (note i) | 購股權數目 Number of share options | | | | | |
|--|-----------------------|----------------------------|--|--|--|--------------------------------|--|--|-----------|
| | | | | 於二零零一年一月一日及二零零二年一月一日尚未行使 Outstanding at 1.1.2001 and 1.1.2002 | 年內授出 Granted during the year (附註ii) (note ii) | 年內失效 Lapsed during the year | 年內調整 Adjustments during the year (附註i) (note i) | 於二零零二年十二月三十一日尚未行使 Outstanding at 31.12.2002 | |
| 本公司董事 Directors of the Company | | | | | | | | | |
| 舊購股權計劃 | Old Option Scheme | 21.11.1996 | 21.11.1996 to 20.11.2006 | 60.510 | 19,364,024 | — | — | (18,689,755) | 674,269 |
| | | 28.3.2000 | 28.3.2000 to 27.3.2010 | 16.783 | 26,500,000 | — | — | (25,577,877) | 922,123 |
| | | 2.6.2000 | 2.6.2000 to 1.6.2010 | 8.134 | 12,000,000 | — | — | (11,582,494) | 417,506 |
| 新購股權計劃 | New Option Scheme | 16.7.2002 | 16.7.2002 to 15.7.2012 | 1.716 | — | 45,680,000 | — | (44,348,997) | 1,331,003 |
| | | | | 57,864,024 | 45,680,000 | — | (100,199,123) | 3,344,901 | |
| 本集團僱員 Employees of the Group | | | | | | | | | |
| 舊購股權計劃 | Old Option Scheme | 5.1.1999 | 5.1.1999 to 4.1.2009 | 5.011 | 1,271 | — | — | (1,227) | 44 |
| | | 28.3.2000 | 28.3.2000 to 27.3.2010 | 16.783 | 14,700,000 | — | (6,500,000) | (7,914,663) | 285,337 |
| | | 2.6.2000 | 2.6.2000 to 1.6.2010 | 8.134 | 12,000,000 | — | — | (11,582,492) | 417,508 |
| 新購股權計劃 | New Option Scheme | 16.7.2002 | 16.7.2002 to 15.7.2012 | 1.716 | — | 114,240,000 | — | (110,911,329) | 3,328,671 |
| | | | | 26,701,271 | 114,240,000 | (6,500,000) | (130,409,711) | 4,031,560 | |
| 其他參與者 Other participants | | | | | | | | | |
| 新購股權計劃 | New Option Scheme | 16.7.2002 | 16.7.2002 to 15.7.2012 | 1.716 | — | 152,320,000 | — | (147,881,772) | 4,438,228 |
| | | | | 84,565,295 | 312,240,000 | (6,500,000) | (378,490,606) | 11,814,689 | |

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36. 購股權計劃 (續)

附註：

- (i) 年內尚未行使之購股權之行使價及數目，已因應年內完成之供股及／或股份合併及供股與發行紅股而作出調整。
- (ii) 本公司股份緊接授出日期前之收市價為1.25港元(經調整)。

以本公司現時之股本架構，於二零零二年十二月三十一日悉數行使尚未行使之11,814,689份購股權，將導致本公司按未計開支現金總代價約83,469,000港元發行11,814,689股額外普通股。

年內從承授人接納獲授購股權時所得之總代價為10港元(二零零一年：無)。

年內並無款項因應授出購股權之價值於收入表內確認(二零零一年：無)。

37. 退休福利計劃

- (a) 本集團根據強制性公積金計劃(「強積金計劃」)之規則及規例設立退休金計劃。強積金計劃之資產由獨立管理之基金持有。本集團已選擇最低法定供款規定，即合資格僱員每月有關收入之5%供款，但每月收入上限為法定之20,000港元供款於產生時在收入表扣除。倘僱員於有權悉數享有僱主之自願供款前退出強積金計劃，則被沒收自願供款之有關部份將退還本集團。

36. SHARE OPTION SCHEMES (continued)

Notes:

- (i) The exercise prices and numbers of options which remained outstanding during the year have been adjusted due to the completion of rights issue and/or share consolidation and rights issue with bonus issue during the year.
- (ii) The closing price of the Company's share immediately before the date of grant was HK\$1.25 (after adjustment).

The exercise in full of the outstanding 11,814,689 share options at 31st December, 2002 would, under the present capital structure of the Company, result in the issue of 11,814,689 additional ordinary shares for a total cash consideration, before expenses, of approximately HK\$83,469,000.

Total consideration received during the year from the grantees for taking up the options granted amounted to HK\$10 (2001: nil).

No charge is recognised in the income statement in respect of the value of options granted during the year (2001: nil).

37. RETIREMENT BENEFITS SCHEMES

- (a) The Group operated a pension scheme under rules and regulations of Mandatory Provident Fund Schemes Ordinance ("MPF Scheme"). The assets of the MPF Scheme are held separately in an independently administrated fund. The Group has chosen to follow the minimum statutory contribution requirement of 5% of eligible employees' monthly relevant income but limited to the mandatory cap of HK\$20,000. The contributions are charged to the income statement as incurred. In respect of employees who leave the MPF Scheme before the employer's voluntary contributions become fully vested, the relevant portion of the voluntary contributions forfeited will be refunded to the Group.

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37. 退休福利計劃 (續)

- (b) 受僱於中國附屬公司之僱員均屬中國政府所管理之中央退休金計劃之成員。此等附屬公司須將工資之若干百分比向中央退休金計劃供款，作為有關福利資金。本集團對中央退休金計劃之唯一責任為根據中央退休金計劃作出所需之供款。

年內，退休福利計劃供款減已沒收供款255,000港元(二零零一年：239,000港元)後之退款淨額為819,000港元(二零零一年：1,621,000港元)。

38. 關連人士交易

- (a) 年內，本公司已發行987,429,500股普通股(股份合併前)與董事及其聯營公司。上述認購之詳情載於附註28(a)及(c)。
- (b) 於二零零一年十一月二十九日，本集團與豐采集團訂立協議，據此本集團於年內向豐采集團出售三套電影之獨家影院放映權、錄像發行權及其他媒介放映權(互聯網放映權除外)，總代價為9,100,000港元。於二零零一年十二月三十一日，本集團已根據該等協議之條款收取按金2,730,000港元。年內，本集團已於交付該三套電影之材料時向豐采集團收取其餘款項6,370,000港元。上述交易之詳情載於本公司於二零零一年十一月三十日刊發之公佈。
- (c) 本集團於二零零二年二月五日與豐采集團訂立特許權協議，本集團自二零零二年四月八日起計十年內向豐采集團授出116套電影在中國及蒙古之獨家發行權，總代價為33,800,000港元。代價乃按獨立專業估值師行安迪評值有限公司於二零零二年一月三十一日編製之估值報告計算。該代價以豐采多媒體發行總金額為33,800,000港元之可換股票據收取。

37. RETIREMENT BENEFITS SCHEMES (continued)

- (b) Employees of subsidiaries in the PRC are members of the Central Pension Scheme operated by the PRC government. These subsidiaries are required to contribute a certain percentage of their payroll to the Central Pension Scheme to fund the benefits. The only obligation of the Group with respect to the Central Pension Scheme is the required contribution under the Central Pension Scheme.

During the year, the retirement benefits schemes contributions net of forfeited contributions of HK\$255,000 (2001: HK\$239,000) amounted to HK\$819,000 (2001: HK\$1,621,000).

38. RELATED PARTY TRANSACTIONS

- (a) During the year, the Company issued 987,429,500 ordinary shares (before Share Consolidation) to the directors and their associates. Details of these subscriptions are set out in notes 28(a) and (c).
- (b) On 29th November, 2001, the Group entered into an agreement with the Riche Group pursuant to which the Group would sell the exclusive rights which included the theatrical rights, video rights and other medium rights (except internet rights) of three movies for a total consideration of HK\$9.1 million to the Riche Group. At 31st December, 2001, the Group received a deposit of HK\$2,730,000 pursuant to the terms of the agreement. During the year, the Group received the remaining amount of HK\$6,370,000 from the Riche Group upon delivery of the master materials of these three movies. Details of this transaction are set out in the Company's announcement dated 30th November, 2001.
- (c) On 5th February, 2002, the Group and the Riche Group entered into a licensing agreement pursuant to which the Group granted to the Riche Group the exclusive distribution rights in the PRC and Mongolia in respect of 116 motion pictures for a term of ten years from 8th April, 2002 at a total consideration of HK\$33,800,000. The consideration was determined based on the valuation report prepared by Adonis Appraisal Limited, an independent firm of professional valuers, dated 31st January, 2002. The consideration was settled by the issue of convertible notes in an aggregate amount of HK\$33,800,000 by Riche Multi-Media.

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38. 關連人士交易 (續)

- (d) 本集團於二零零二年二月五日與豐采集團訂立地區供應協議，本集團自二零零二年四月八日起計三年內向豐采集團授出優先購買權，以購買每套電影在中國及蒙古之獨家發行權（不包括影院放映權）（「發行權」）及選擇購買影院放映權。

根據地區供應協議，豐采集團已向本集團支付5,000,000港元之按金（可於終止地區供應協議後不計利息退還），以取得購買發行權之優先購買權，並作為將訂立地區特許權協議應付之特許費用保證金。倘豐采集團選擇購買發行權，則須就電影訂立地區特許權協議。根據地區特許權協議，豐采集團須就每套電影支付按照電影級別計算之特許費用，由C級電影（製作成本不超過5,000,000港元）之200,000港元至A++級電影（製作成本最少30,000,000港元）之1,000,000港元不等。每套電影之地區特許權為期十年。至於選擇購買其影院放映權之電影，該影院放映權應付之額外特許權費用將相等於豐采集團就運用上述影院放映權所獲總收入（未計發行開支）扣除豐采集團保留款項（上述總收入20%）後之餘額。

年內，本集團向豐采集團出售總代價5,500,000港元之發行權及根據有關地區特許權協議10,600,000港元之額外特許權費用出售影院放映權。

38. RELATED PARTY TRANSACTIONS (continued)

- (d) On 5th February, 2002, the Group and the Riche Group entered into a territory supply agreement whereby the Group, during the term of three years from 8th April, 2002, granted in favour of the Riche Group a first right of refusal to acquire the exclusive distribution rights excluding the theatrical rights in respect of each film in the PRC and Mongolia ("Distribution Rights") and an option to acquire the theatrical rights.

Pursuant to the territory supply agreement, the Riche Group paid an amount of HK\$5,000,000 to the Group as a deposit, which is refundable without interest after the termination of the territory supply agreement, for the grant of the first right of refusal to acquire the Distribution Rights and as security for the licence fees payable under the territory license agreements to be entered into. If the Riche Group elects to acquire the Distribution Rights, a territory license agreement in respect of the film will be entered into pursuant to which the Riche Group shall pay a licence fee in respect of each film calculated by reference to its grading, ranging between HK\$200,000 for a grade C film (cost of production of not more than HK\$5,000,000) to HK\$1,000,000 for a grade A++ film (cost of production of at least HK\$30,000,000). The territory license rights in respect of a film will be for a period of 10 years. In relation to the option to acquire the theatrical rights, the additional license fee shall be equal to the balance of the total income received by the Riche Group in respect of the exploitation of such theatrical rights before payment of any distribution expenses but after deducting a sum equal to 20% of the said total income which shall be retained by the Riche Group.

During the year, the Group sold Distribution Rights to the Riche Group at a total consideration of approximately HK\$5.5 million and received HK\$10.6 million additional license fee for the sale of the theatrical rights pursuant to the relevant territory licence agreements.

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38. 關連人士交易 (續)

- (e) 由二零零二年一月至十一月期間，本集團與豐采集團訂立多項發行協議，據此本集團同意就中國之電影之數碼影院放映權提供服務，自彼等訂立發行協議之日期起計為期三年。豐采集團向本集團支付相等於本集團代表豐采集團收取之總收入35%之發行佣金，作為本集團提供服務之代價。年內，豐采集團已根據發行協議向本集團支付發行佣金約1,666,000港元(二零零一年：無)。
- (f) 於二零零二年十二月三日，本集團與豐采集團訂立數碼影院放映權供應協議，據此本集團同意向豐采集團就中國之電影之數碼影院放映權提供服務，惟須受日後可能訂立之有關發行協議之各方所協定之其他條款限制。豐采集團向本集團支付相等於本集團代表豐采集團收取之總收入35%之發行佣金，作為本集團提供服務之代價。年內，豐采集團已根據發行協議向本集團支付發行佣金約53,000港元(二零零一年：無)。

38. RELATED PARTY TRANSACTIONS (continued)

- (e) During the period from January to November 2002, the Group entered into a series of distribution agreements with the Riche Group under which the Group agreed to distribute the cyber cinema rights of the films within the PRC for periods of up to 3 years from the respective dates of the distribution agreements. In consideration of the provision of services by the Group, the Riche Group would pay the Group distribution commission equivalent to 35% of the total income received by the Group on behalf of the Riche Group. During the year, the Group received distribution commission of approximately HK\$1,666,000 (2001: nil) from the Riche Group pursuant to the distribution agreements.
- (f) On 3rd December, 2002, the Group entered into a cyber cinema rights supply agreement with the Riche Group pursuant to which the Group agreed to distribute the cyber cinema rights of the films within the PRC for the Riche Group subject to such other terms as may be agreed by the parties to the relevant future distribution agreements to be entered into. In consideration of the provision of services by the Group, the Riche Group would pay the Group distribution commission equivalent to 35% of the total income received by the Group on behalf of the Riche Group. During the year, the Group received distribution commission of approximately HK\$53,000 (2001: nil) from the Riche Group pursuant to the distribution agreements.

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38. 關連人士交易 (續)

38. RELATED PARTY TRANSACTIONS (continued)

(g) 本集團年內與關連人士進行下列交易：

(g) During the year, the Group entered into the following transactions with related parties:

| | | 二零零二年 2002 千港元 HK\$'000 | 二零零一年 2001 千港元 HK\$'000 |
|---|--|----------------------------------|----------------------------------|
| 運利集團有限公司 Lucky Assets Holdings Limited | 管理費用 Management fee (Note i) | — | 240 |
| 豐采集團 Riche Group | 影視製作之收入 Video production income (Note i) | 726 | — |
| | 利息收入 Interest income (Note ii) | 238 | — |
| | 租金開支 Rental expenses (Note iii) | — | 405 |

附註：

Notes:

- (i) 金額按各方協定之價格釐定。
- (ii) 利息收入根據豐采多媒體所發行可換股票據之條款按年利率1厘計算。
- (iii) 本集團因使用若干影樓及燈光設備已付及應付之租金開支。該等價格與向其他客戶所付之價格相若。

- (i) The amounts were determined at prices agreed between the parties.
- (ii) Interest income was calculated at 1% per annum in accordance with the terms of the convertible notes issued by Riche Multi-Meida.

運利集團有限公司及豐采集團均為本集團之聯營公司。

Both Lucky Assets Holdings Limited and the Riche Group are associates of the Group.

向華強先生及陳明英女士均為豐采集團之董事，並擁有其實益權益，豐采多媒體為豐采集團之控股公司。

Mr. Heung Wah Keung and Ms. Chen Ming Yin, Tiffany are also directors of and have beneficial interest in Riche Multi-Media, the holding company of the Riche Group.

(h) 應收及應付關連人士款項之詳情載於附註17、23、24及25。

(h) Details of the amounts due from and to related parties are set out in notes 17, 23, 24 and 25.

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39. 主要附屬公司之詳情

下表載列董事認為主要影響本集團業績或資產之本公司附屬公司。董事認為，呈列其他附屬公司之資料會使篇幅過於冗長。

39. PARTICULARS OF PRINCIPAL SUBSIDIARIES

The following table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of exercise length.

| 附屬公司名稱 Name of subsidiary | 業務架構形式 Form of business structure | 註冊/成立 所在地/國家 Country/place of incorporation/formation | 所持股份 類別 Class of shares held | 本公司所持 已發行股本/ 註冊資本 面值比例 Proportion of nominal value of issued capital/registered capital held by the Company % | 已發行及繳足 股本/註冊資本 Proportion of nominal value of issued capital/registered capital | 主要業務 Principal activities |
|---|--------------------------------------|---|------------------------------------|---|---|--|
| Anglo Market International Limited | 註冊成立 Incorporated | 英屬處女群島 British Virgin Islands | 普通股 Ordinary | 100 | 1股面值1美元 1 share of US\$1 | 提供藝員服務 Provision of artists services |
| 北京創意星國際廣告有限公司 (註a及c) (「北京創意星」) Beijing Creative Star International Advertising Co. Ltd. (Notes a and c) ("Beijing Creative Star") | 中外合資 Sino-foreign joint venture | 中國 The PRC | 注資 Capital contribution | 49 | 300,000美元 US\$300,000 | 設計及製作廣告 Design and production of advertisements |
| Business First Limited | 註冊成立 Incorporated | 英屬處女群島 British Virgin Islands | 普通股 Ordinary | 100 | 1股面值1美元 1 share of US\$1 | 持有有線播映權 Holding of cable right |
| China Star Entertainment (BVI) Limited | 註冊成立 Incorporated | 英屬處女群島 British Virgin Islands | 普通股 Ordinary | 100 | 200股每股 面值1美元 200 shares of US\$1 each | 投資控股 Investment holding |

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For the year ended 31st December, 2002

39. 主要附屬公司之詳情 (續)

39. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

| 附屬公司名稱 Name of subsidiary | 業務架構形式 Form of business structure | 註冊/成立 所在地/國家 Country/place of incorporation/ formation | 所持股份 類別 Class of shares held | 本公司所持 已發行股本/ 註冊資本 面值比例 Proportion of nominal value of issued capital/registered capital held by the Company % | 已發行及繳足 股本/註冊資本 Issued and fully paid share capital/ registered capital | 主要業務 Principal activities |
|---|---|--|---------------------------------------|---|--|---|
| 中國星娛樂控股有限公司 China Star Entertainment Holding Limited | 註冊成立 Incorporated | 香港 Hong Kong | 普通股 Ordinary | 100 | 2股每股面值 1港元普通股 及1,000,000股 每股面值1港元 無投票權遞延股 (註d) 2 ordinary shares of HK\$1 each and 1,000,000 deferred non-voting shares of HK\$1 each (note d) | 投資控股 Investment holding |
| 中國星香港發行有限公司 China Star HK Distribution Limited | 註冊成立 Incorporated | 香港 Hong Kong | 普通股 Ordinary | 100 | 100,000股 每股面值1港元 普通股 100,000 ordinary shares of HK\$1 each | 生產及買賣錄影帶產品 及電影及電視連續劇 發行 Production of and trading in video products, and distribution of motion pictures and television drama series |
| 中國星香港娛樂有限公司 China Star HK Entertainment Company Limited | 註冊成立 Incorporated | 香港 Hong Kong | 普通股 Ordinary | 100 | 1,000,000股 每股面值1港元 普通股 1,000,000 ordinary shares of HK\$1 each | 生產及買賣錄影帶 及投資控股 Production of and trading in video tapes, and investment holding |

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39. 主要附屬公司之詳情 (續)

39. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

| 附屬公司名稱 Name of subsidiary | 業務架構形式 Form of business structure | 註冊/成立 所在地/國家 Country/place of incorporation/ formation | 所持股份 類別 Class of shares held | 本公司所持 已發行股本/ 註冊資本 面值比例 Proportion of nominal value of issued capital/registered capital held by the Company % | 已發行及繳足 股本/註冊資本 Issued and fully paid share capital/ registered capital | 主要業務 Principal activities |
|--|--------------------------------------|--|---------------------------------------|---|--|--|
| 中國星多媒體有限公司 China Star i-Content Limited | 註冊成立 Incorporated | 香港 Hong Kong | 普通股 Ordinary | 100 | 2股每股面值 1港元普通股 2 ordinary shares of HK\$1 each | 持有電影膠卷及 製作娛樂內容 Holding of film footage and making of entertainment content |
| China Star International Distribution Limited (附註b) (note b) | 註冊成立 Incorporated | 英屬處女群島 British Virgin Islands | 普通股 Ordinary | 100 | 8,001股每股 面值1美元 8,001 shares of US\$1 each | 電影及電視連續劇發行 Distribution of motion pictures and television drama series |
| 中國星鐳射影碟有限公司 China Star Laser Disc Company Limited | 註冊成立 Incorporated | 香港 Hong Kong | 普通股 Ordinary | 100 | 15,000股每股面值 100港元普通股 15,000 ordinary shares of HK\$100 each | 提供管理服務及 投資控股 Provision of management services and investment holding |
| 中國星演藝管理有限公司 China Star Management Limited | 註冊成立 Incorporated | 香港 Hong Kong | 普通股 Ordinary | 100 | 1,000,000股每股 面值1港元 普通股 1,000,000 ordinary shares of HK\$1 each | 提供藝員服務及 製作電視連續劇 Provision of artists services and production of television drama series |
| 中國星影畫有限公司 China Star Pictures Limited | 註冊成立 Incorporated | 香港 Hong Kong | 普通股 Ordinary | 100 | 2股每股面值 1港元普通股 2 ordinary shares of HK\$1 each | 持有電影版權 Holding of film right |

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39. 主要附屬公司之詳情 (續)

39. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

| 附屬公司名稱 Name of subsidiary | 業務架構形式 Form of business structure | 註冊/成立 所在地/國家 Country/place of incorporation/ formation | 所持股份 類別 Class of shares held | 本公司所持 已發行股本/ 註冊資本 面值比例 Proportion of nominal value of issued capital/registered capital held by the Company % | 已發行及繳足 股本/註冊資本 Issued and fully paid share capital/ registered capital | 主要業務 Principal activities |
|--|---|--|---------------------------------------|---|--|---|
| 中國星製作服務有限公司 China Star Production Services Limited | 註冊成立 Incorporated | 香港 Hong Kong | 普通股 Ordinary | 100 | 2股每股面值 1港元普通股 2 ordinary shares of HK\$1 each | 提供後期製作服務 Provision of post production services |
| 中國星商標有限公司 China Star Trademark Limited | 註冊成立 Incorporated | 英屬處女群島 British Virgin Islands | 普通股 Ordinary | 100 | 1股面值1美元 1 share of US\$1 | 持有商標及版權 Holding of trademark and copyrights |
| China Star Worldwide Distribution B.V. (附註b) (Note b) | 註冊成立 Incorporated | 荷蘭 The Netherlands | 普通股 Ordinary | 100 | 400股每股 面值100荷蘭盾 普通股 400 ordinary shares of Dutch Guilders 100 each | 電影及電視連續劇發行 Distribution of motion pictures and television drama series |
| Classical Statue Limited | 註冊成立 Incorporated | 英屬處女群島 British Virgin Islands | 普通股 Ordinary | 100 | 1股面值1美元 1 share of US\$1 | 投資控股 Investment holding |
| 中國數碼廳有限公司 Cyber Cineplex (China) Limited | 註冊成立 Incorporated | 香港 Hong Kong | 普通股 Ordinary | 100 | 10,000股每股面值 1港元普通股 10,000 ordinary shares of HK\$1 each | 視像節目廣播之相關 服務及提供先進科技 及投資控股 Provision of advance technology and relevant services on visual programme broadcasting and investment holding |

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For the year ended 31st December, 2002

39. 主要附屬公司之詳情 (續)

39. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

| 附屬公司名稱 Name of subsidiary | 業務架構形式 Form of business structure | 註冊/成立 所在地/國家 Country/place of incorporation/ formation | 所持股份 類別 Class of shares held | 本公司所持 已發行股本/ 註冊資本 面值比例 Proportion of nominal value of issued capital/registered capital held by the Company | 已發行及繳足 股本/註冊資本 Issued and fully paid share capital/ registered capital % | 主要業務 Principal activities |
|---|---|--|---------------------------------------|--|---|---|
| Exceptional Gain Profits Limited | 註冊成立 Incorporated | 英屬處女群島 British Virgin Islands | 普通股 Ordinary | 100 | 1股面值1美元 1 share of US\$1 | 物業投資 Property investment |
| 安樂(香港)有限公司 Newrich (HK) Limited | 註冊成立 Incorporated | 香港 Hong Kong | 普通股 Ordinary | 100 | 2股每股面值 1港元普通股 2 ordinary shares of HK\$1 each | 持有物業 Property holding |
| 一百年電影有限公司 One Hundred Years of Film Company Limited | 註冊成立 Incorporated | 香港 Hong Kong | 普通股 Ordinary | 100 | 3,000,000股 每股面值1港元 3,000,000 shares of HK\$1 each | 電影製作 Film production |
| 蘇州天地數碼放映技術 有限公司(附註c) S & E Cyber Cine Plex Ltd. (note c) | 中外合資 Sino-foreign joint venture | 中國 The PRC | 注資 Capital contribution | 70 | 人民幣 10,000,000元 RMB10,000,000 | 視像節目廣播 Visual programme broadcasting |
| 思維娛樂有限公司 S & W Entertainment Limited | 註冊成立 Incorporated | 香港 Hong Kong | 普通股 Ordinary | 100 | 2股每股面值 1港元普通股 2 ordinary shares of HK\$1 each | 製作電影及電視連續劇 Production of motion picture and television drama series |

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For the year ended 31st December, 2002

39. 主要附屬公司之詳情 (續)

附註：

- (a) 北京創意星乃一間由本集團與一位於中國之獨立第三者成立之合資公司。合營期由一九九七年九月九日起計二十年。根據於上述日期與該中方人士訂立之管理協議，本集團負責提供上述合資公司之所有資產及負債，並有權在管理協議有效期內，每年扣除向該中方人士支付之定額管理費後，可有權收取或承擔該公司之經營溢利或虧損淨額。因此，在一九九七年九月九日起至二零零二年十二月三十一日止期間，本集團實際擁有北京創意星100%之經濟權益。該管理協議已延期十年至二零一二年十二月三十一日。
- (b) 在全球經營業務。
- (c) 在中國經營業務。
- (d) 無投票權遞延股份持有人實際上並無獲派股息或接收股東大會通告之權利，亦不可出席股東大會或在會上投票，且於清盤時不可參與任何分派。

China Star Entertainment (BVI) Limited 及 China Star Worldwide Distribution B.V. 由本公司直接擁有，而所有其他附屬公司均由本公司間接擁有。

除另有指明者外，附屬公司之主要營業地點為香港。

所有附屬公司於年結日或年中任何時間概無任何未贖回之債務證券。

39. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Notes:

- (a) Beijing Creative Star is an equity joint venture company established by the Group with an independent third party in the PRC for a joint venture period of 20 years starting from 9th September, 1997. Under a management agreement with the Chinese party on the same date, the Group is responsible for all of the assets and liabilities of the equity joint venture company and is entitled to all of the net profits or losses of the operation after payment of fixed amount as management fee to the Chinese party each year during the term of the management agreement. The Group therefore effectively has 100% attributable economic interest in Beijing Creative Star for the term running from 9th September, 1997 to 31st December, 2002. The management agreement has been renewed for a period of 10 years up to 31st December, 2012.
- (b) Operating internationally.
- (c) Operating in the PRC.
- (d) The non-voting deferred shares practically carry no right to dividends nor to receive notice of nor to attend or vote at any general meeting of the relevant companies nor to participate in any distribution on winding up.

China Star Entertainment (BVI) Limited and China Star Worldwide Distribution B.V. are directly held by the Company. All other subsidiaries are indirectly held by the Company.

Except otherwise stated, the principal place of operation of the subsidiaries is Hong Kong.

None of the subsidiaries had any debt securities outstanding at the end of the year or at any time during the year.

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40. 主要聯營公司之詳情

下表載列董事認為主要影響本集團業績及資產之本公司聯營公司。董事認為，呈列其他聯營公司之資料會使篇幅過於冗長。

40. PARTICULARS OF PRINCIPAL ASSOCIATES

The following table lists the associates of the Group which, in the opinion of the directors, principally affected the results and assets of the Group. To give details of other associates would, in the opinion of directors, result in particulars of exercise length.

| 聯營公司名稱 Name of associate | 業務架構型式 Form of business structure | 註冊所在地 ／國家 Country/ place of incorporation | 本公司間接所持已 發行股本面值比例 Proportion of nominal value of issued capital/ registered capital held indirectly by the Group % | 已發行及 繳足股本 Issued and fully paid share capital registered capital | 主要業務 Principal activities |
|--|---|---|--|---|--|
| 北京澳昌科技有限公司 | 外商獨資企業 Wholly-owned foreign enterprise | 中國 The PRC | 20.08 | 註冊資本 人民幣 10,000,000元 Registered Capital RMB10,000,000 | 於中國開發及生產電訊、 資訊科技及解決方案 Development and production of telecommunication and information technology and solution in the PRC |
| Golden Capital International Limited (附註a) (note a) | 註冊成立 Incorporated | 英屬處女群島 British Virgin Islands | 36.50 | 1,000股每股 面值1美元 普通股 1,000 ordinary shares of US\$1 each | 於中國投資控股 Investment holding in the PRC |
| Manful Corporation Limited | 註冊成立 Incorporated | 香港 Hong Kong | 50 | 10,000股每股面值 1港元普通股 10,000 ordinary shares of HK\$1 each | 於香港營運酒廊 Operation of a lounge in Hong Kong |
| 豐采多媒體集團有限公司 Riche Multi-Media Holdings Limited (前稱海岸集團有限公司) (formerly known as Ocean Shares Group Limited) | 註冊成立 Incorporated | 百慕達 Bermuda | 40.61 | 475,200,000股 每股面值0.1港元 普通股 475,200,000 ordinary shares of HK\$0.1 each | 於香港投資控股 Investment holding in Hong Kong |

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For the year ended 31st December, 2002

40. 主要聯營公司之詳情 (續)

40. PARTICULARS OF PRINCIPAL ASSOCIATES (continued)

| 聯營公司名稱 Name of associate | 業務架構型式 Form of business structure | 註冊所在地 /國家 Country/ place of incorporation | 本公司間接所持已 發行股本面值比例 Proportion of nominal value of issued capital/ registered capital held indirectly by the Group % | 已發行及 繳足股本 Issued and fully paid share capital/ registered capital | 主要業務 Principal activities |
|---|--|---|--|---|---|
| Bluelagoon Investment Holdings Limited | 註冊成立 Incorporated | 英屬處女群島 British Virgin Islands | 40.61 | 1股每股面值1美元 普通股 1 ordinary share of US\$1 each | 於中國轉售節目錄影權及 銷售廣告權 Distribution of programme sub-licensing of programme rights and sales of advertising rights in the PRC |
| 豐采發行有限公司 Riche Distribution Limited (前稱海岸發行有限公司) (formerly known as Ocean Shores Distribution Limited) | 註冊成立 Incorporated | 香港 Hong Kong | 40.61 | 1,000,000股 每股面值1港元 普通股 1,000,000 ordinary shares of HK\$1 each | 於香港轉授節目發行權 Sub-licensing of programme rights in Hong Kong |
| 豐采多媒體有限公司 Riche Multi-Media Limited (前稱多彩投資有限公司) (formerly known as Smart Choice Investments Limited) | 註冊成立 Incorporated | 香港 Hong Kong | 40.61 | 2股每股面值1港元 普通股 2 ordinary shares of HK\$1 each | 於中國發行影視節目及 其他特輯及影視產品 Distribution of video programmes, and other video features in the PRC |

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For the year ended 31st December, 2002

40. 主要聯營公司之詳情 (續)

40. PARTICULARS OF PRINCIPAL ASSOCIATES (continued)

| 聯營公司名稱 Name of associate | 業務架構型式 Form of business structure | 註冊所在地 / 國家 Country/ place of incorporation | 本公司間接所持已 發行股本面值比例 Proportion of nominal value of issued capital/ registered capital held indirectly by the Group % | 已發行及 繳足股本 Issued and fully paid share capital/ registered capital | 主要業務 Principal activities |
|---|--|--|--|---|--|
| 豐采錄影有限公司 Riche Video Limited (前稱海岸錄影有限公司) (formerly known as Ocean Shores Video Limited) | 註冊成立 Incorporated | 香港 Hong Kong | 40.61 | 10股每股 面值100港元普通股 及20,000股 每股面值100港元 無投票權遞延股 (附註b) 10 ordinary shares of HK\$100 each and 20,000 non-voting deferred shares of HK\$100 each (note b) | 於香港發行影視節目 Distribution of video programmes in Hong Kong |

附註：

Notes:

- (a) 根據本集團與賣方及賣方股東(作為擔保人)訂立之買賣協議及補充協議,賣方將退回一筆相等於獨立估值報告所列值之20%與本集團已付代價40,000,000港元之不足額。獨立估值報告將於完成日(預計二零零三年中)後六個月內完成。另外,賣方保證Golden Capital International Limited截至二零零三年十二月三十一日止年度之股息不會少於10,000,000港元。倘Golden Capital International Limited截至二零零三年十二月三十一日止年度之股息少於10,000,000港元,賣方及賣方股東同意支付本集團一筆相等於10,000,000港元與本集團實際已收股息之款項之不足額。
- (a) Pursuant to the sales and purchase agreement and supplemental agreement entered into between the Group, the vendor and the vendor's shareholder (who acts as the guarantor), the vendor will refund a sum equivalent to the shortfall between 20% of the value stated in the independent valuation report and the consideration of HK\$40 million paid by the Group. The independent valuation report will be completed within six months after the completion date which is expected in mid 2003. In addition, the vendor also warrants that dividends from Golden Capital International Limited for the year ending 31st December, 2003 will not be less than HK\$10 million. In the event that the dividends from Golden Capital International Limited for the year ending 31st December, 2003 are less than HK\$10 million, the vendor and the vendor's shareholder agreed to pay the Group a sum equivalent to the shortfall between HK\$10 million and the actual dividends received by the Group.
- (b) 無投票權遞延股份持有人實際上並無獲派股息或接收股東大會通告之權利,亦不可出席股東大會或在會上投票,且於清盤時不可參與任何分派。
- (b) The non-voting deferred shares practically carry no rights to dividends nor to receive notice of nor to attend or vote at any general meeting of the relevant companies nor to participate in any distribution on winding up.